

SURPLUS PROPERTY SALES

BACKGROUND

Until late September 26, 2004, when Santee Cooper wanted to sell property, it would offer tracts on a competitive sealed bid basis, with a minimum bid price established by appraisal plus selling costs, in accordance with its Policy Position on Sale of Property entitled "Procedure for Sale of Disposition of Surplus Real Estate."

March 21, 2004: At Property Committee meeting [Chairman DuBose (NP), Coen, Davis, Land, Green (NP), and Edwards, ex officio], John West presented a land sale proposal for the Surplus Property Sales Program, which was authorized by the Board by resolution dated December 15, 2003. The subcommittee will recall this resolution approved the payment of \$13 million to the State and identified certain properties that were surplus to Santee Cooper's future operating needs that the Board determined could be sold and the proceeds from the sale paid to the State as a one-time contribution. Mr. West explained that the tracts would be offered on a competitive sealed bid basis and distributed sample bid information packet. The minutes reflect: "There was discussion regarding the selection process for appraisers and surveyors. No action was required by the Board." There is no document Staff could locate that would show any objection by any committee member to Mr. West's proposal for this form of sale.

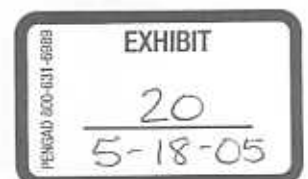
July 26, 2004: Board Meeting at Wampee. Staff understands that during lunch, directors Green, Coen, and DuBose were eating at a table with Mr. Carter and possibly Mr. West and they discussed the manner of the sale and apparently asked Mr. Carter to hold off sending the bid packets.

Sealed bids are sent out that day by G. Denton Lindsay, who had apparently not been informed of the informal request by the three directors.

ISSUE:

Staff has not found any record to show that a formal request for a change in the policy or the company's customary practices was presented for the consideration of the entire Board on that day or at any earlier time. If, in fact, Directors Green, Coen, and DuBose did make this request of management while eating lunch, this raises the issue as to whether those Board members violated the Freedom of Information Act (FOIA) requirement that provides that "no chance meeting, social meeting, or electronic communication may be used in circumvention of the spirit of the requirements of this chapter to act upon a matter over which the public body has supervision, control, jurisdiction, or advisory power," since they would have constituted a quorum of the Property Committee.

August 2, 2004, 2:30 p.m.: Special Board Meeting: "There was discussion regarding property sales and a request for a full report to the Property Committee in August.



Concerns were expressed by some of the board members with regard to communication of information between management and the Board, and a desire to kept better informed. Mr. Carter agreed to set aside time at the August Board meeting to discuss communications.”

- 8/2/05 2:21 p.m.: Email from Jim Grant for Richard Coen sending Board and management Broad Street Advisors web site and attaching the offering package Broad Street Advisors prepared for Eastport, Richard Coen’s development.
- 8/4/04 11:53 a.m.: Email from Richard Coen to Rob Rizzi, Broad Street Advisors: “Have you talked with Lonnie. We are on a tight time frame. Do you have any extra copies of the offering and flyer?”
- 2:19 p.m.: Email from Rob Rizzi to Richard Coen. “I would like to see the property before we send a proposal. Are you available this Monday or Tuesday to drive up there? Is there anybody from Santee Cooper you would like me to meet with.”
- 9:52 p.m.: Email from Richard Coen to directors and management. “If the board decides to use Broad Street Advisors, we would like to have the flyer out in 2-3 weeks and the packages available in 4-6 weeks. I think the goal would be to have the property under contract before the elections in November. Let me know if this would work for you. What would you propose as your fee. This could be a joint venture, sale or long term ground lease. I know there is a preference for a strait (sic) sale.”
- 8/5/04 18:34 p.m.: Email from Richard Coen to Lonnie: “Would you or anyone else from Santee Cooper like to meet with us?”
- 8/6/04 3:30 p.m.: Email from Dial DuBose to directors and management. “Richard, This is a great idea. Their work on the Eastport project was impressive. If it pleases the committee we need to send out a RFQ to some local firms. Please let me kf there are any objections or legal issues that come in to play. Thank you, Dial.”
- 8/6/04 4:36 p.m.: Email from Lonnie Carter to Richard Coen telling him his schedule is tight and does he want someone else to join Rizzi.
- 8/6/04 5:57 p.m.: Email from Richard Coen to Rob and Guerry, “How about Wed. morning?”
- 8/6/04 5:07 p.m.: Email from Lonnie Carter to Dial DuBose, referencing Broad Street Advisors information, stating that they are working on bringing the information to the Property Committee on August 23rd. They propably would not have other proposals at that meeting because of the time frame and some issues they want the committee’s advice on before they solicit bids.

August 23, 2004: Property Committee Meeting. Directors raised questions regarding sale of surplus property. “Specific concerns were noted with regard to the parcel of land located at Litchfield Beach. Three Directors had requested an opportunity to review marketing materials before the properties went out for bid, but bid

packages were mailed without the Directors' review." The directors want more aggressive marketing of properties. Director Coen recommended that a broker be hired to market the Litchfield parcel and to review Santee Cooper's entire property portfolio. West says the ultimate question is whether to amend existing policy. The Committee voted unanimously to authorize management to: (1) solicit proposals to identify potential brokerage firms for all surplus property; (2) receive sealed bids for Litchfield parcel; (3) report on both processes at September Property Committee meeting; (4) provide recommendation regarding amendment to policy for sale of surplus property to include specific circumstances in which a broker should be enlisted to market property rather than solicitation through sealed bids. The Board also voted for this authorization, at its August 23, 2004 meeting.

ISSUE: This is the first formal attempt to amend procedure for the sale of land and give the management guidance how to proceed; however, a new policy is not yet adopted.

August 25, 2004: Lonnie Carter sent the directors a draft RFP for brokerage and real estate advisory services and a preliminary list of 53 recipients of the RFP, requesting their additions or deletions to the documents.

September 2, 2004: Update from Lonnie Carter to directors: 6 bids were received on 3 of the 4 properties listed in Phase 1 of the Property Sales Program. The letter was going out that day to brokers.

9/13/04 1:51 p.m.: Email from Dial DuBose to Clarence Davis and Guerry Green:

"I need your preliminary thoughts regarding whether or not we accept the bids on the property. If we elect to reject them, I believe it is appropriate to inform the bidders sooner than later."

9/13/04 10:47 p.m.: Email from Richard Coen to "Dial and fellow board members, I think it is a shame we find ourselves in this position. If we sell at this price we are leaving several million on the table. However, it sends the wrong message to the real estate community to defer a decision and re-bid. Same situation with gypsum. Have you all seen that RFP? It is a joke. Why did we send out the real estate advisor RFP to so many companies? Peoples (sic) time is valuable and we are going to upset a lot of well intentioned participants that have no business responding to this RFP. Broad Street got theirs today and the bid is due tomorrow. Santee Cooper sent it to the wrong address. Broad Street went to the time and expense to fly down here to preview the property! Santee Cooper is losing value because the board is not being heard and handling of these assets is very sloppy. The gypsum deal is going to be a mess and we are not going to give it away. Management needs to know that upfront...."

- 9/14/04 11:31 a.m.: Email from Guerry Green to Richard Coen and, other board members. "We have been place in an awkward situation because management jumped the gun in sending out the bids to sell property. The bidders are upset because they believe that we (the board) changed the rules. . . . Management jumped the gun and got us into this mess and they need to get us out. The bidder who called me relayed that he had spoken to Santee Cooper employees who expressed doubt as to what the board was doing or why we might want to change the status quo process of selling our assets. . . . I would like to see a draft of a letter explaining to the bidders that the management acted without the authority or knowledge of the board and is withdrawing the bid process until they are directed to do otherwise. . . ."
- 9/14/04 11:50 a.m.: Email from Richard Coen to directors. "John West told Dial, Guerry and me that we have the right to reject any and all bids. . . . I will vote to reject all bids, extend the real estate advisor RFP for adequate response time for all interested respondents and re-evaluate the entire portfolio from an outside third party perspective that has the credentials and track record to dispose of a real estate portfolio of this size and complexity."
- 9/14/04 11:58 a.m.: Email from Guerry Green to Graham Edwards. "Graham, Where is you leadership on this issue????I am not going to let management screw up and then blame the board. As chairman the first person taking a stand should be you. I told you some time ago that I would support you but that I expected you to lead. Your silence is deafening. Guerry"
- 9/15/04 5:21 p.m.: Email from Lonnie Carter to Richard Coen and Guerry Green. "I believe we have followed through with the Board's instructions and guidance since our last meeting and will continue to do so. . . . Yes, we did let the requests for bids on the four phase 1 properties go out in late July when we had agreed to hold it waiting on further comment from members of Property Committee. I have openly and repeatedly admitted this error. When I discovered the mistake, I called Dial, the Property Committee Chairman, and offered to send a letter withdrawing the request for bids. We agreed to wait until the Committee met. After consultation with the Property Committee at our last meeting, the Committee agreed not to withdraw the bid process. . . ."
- 9/16/05 11:06 a.m.: Email from Guerry Green to Graham Edwards: "Graham, Hope all is well. Are you there? Did you know get the email or are you just ignoring me? Guerry"
- 9/20/04 8:54 a.m.: Email from Graham Edwards to Guerry Green: "Sorry, I have been out of town for the past week. . . and did not have access to my email. . . Remember, you always have my cell number. I do not feel we need to constantly send emails on these issues. We need to discuss them face to face at our next board meeting. I don't feel

leadership is associated with emails. We will draw conclusions to these issues next Monday at our meeting."

September 26, 2004: Property Committee Meeting. Committee votes to reject all sealed bids for Phase 1 surplus property. Committee approves amended policy.

September 26, 2004: Board votes unanimously to reject bids for Phase 1 surplus property. "Prior to the vote there was discussion with regard to the need for consistency from the Board, and the negative message that could be perceived from the Board's action to reject these bids. Chairman Edwards instructed management to set up interview with potential brokers." The Board voted to approve the amended policy for sale or disposition of surplus property.

ISSUES:

(1) Management acted under its existing policy. At this point in time, there is no new policy in place because it is supposed to be presented at the September 27 Board meeting. Lack of clear directions.

(2) Leadership style; courtesy; directing policy change outside of the board meeting; FOIA implications.

Steffen, Susan

From: Munson, Keith [KMunson@wcsr.com]
Sent: Wednesday, April 20, 2005 9:01 PM
To: Davies, Adam
Cc: Mandanas, MaryBeth
Subject: Santee Cooper and Santee Cooperative

Please see Confidentiality Notice before reading email.

Adam: I hope this cause to much of a problem, but Santee Electric Cooperative is NOT Santee Cooper. It is the County Cooperative for the Santee County, South Carolina. On page 47 and 48, you have highlighted Santee Electric Coop in green. on earlier pages, you highlighted Santee Cooper in green. In any event, if you thought Santee Electric Coop was Santee Cooper, then you might have left its corresponding number out of any average. Also, if you wanted to show a Santee Cooper number on these pages (47-48) for comparison purposes, its not there. Hopefully, you just have to make the green line and blue line on these pages. KEITH



**WOMBLE
CARLYLE**
OUR LAWYERS
MEAN BUSINESS

CONFIDENTIALITY NOTICE: This electronic mail transmission has been sent by a lawyer. It may contain information that is confidential, privileged, proprietary, or otherwise legally exempt from disclosure. If you are not the intended recipient, you are hereby notified that you are not authorized to read, print, retain, copy or disseminate this message, any part of it, or any attachments. If you have received this message in error, please delete this message and any attachments from your system without reading the content and notify the sender immediately of the inadvertent transmission. There is no intent on the part of the sender to waive any privilege, including the attorney-client privilege, that may attach to this communication. Thank you for your cooperation.

5/13/2005

CONFIDENTIAL

From: Lonnie Carter
To: Coen, Richard
Date: 8/9/04 8:16AM
Subject: RE: Eastport PIP

Richard,

I take that you are in town this week and missing the family trip to Minnesota?. If you are here, please keep in mind we have a meeting with the Central Coop group on Wednesday starting at Noon with lunch. I hope you can make it. I feel like we are making good progress.

Also let me know if we need to have some one meet Rob at the property.

Thanks
Lonnie

>>> "Richard Coen" <rcoen@coencapital.com> 08/06/04 05:57PM >>>
Rob and Guerry,
How about Wed. morning?
RHC

-----Original Message-----

From: Lonnie Carter [mailto:ln Carter@santeecooper.com]
Sent: Friday, August 06, 2004 4:36 PM
To: rcoen@coencapital.com
Subject: RE: Eastport PIP

Richard,

My schedule is pretty tight Monday and Tuesday. If you would like I could have someone joint Rob. Just let me know and I will work it out with Rob.

Thanks
Lonnie

>>> "Richard H. Coen" <rcoen@coencapital.com> 08/05/04 18:34 PM >>>
Lonnie,
Would you or anyone else from Santee Cooper like to meet with us?
RHC

From: Rob Rizzi [mailto:rrizzi@broadstreetadvisors.com]
Sent: Wednesday, August 04, 2004 2:19 PM
To: 'Richard H. Coen'; 'Jim Grant'; 'Frederick C. Ellsworth (E-mail)'
Subject: FW: Eastport PIP

Richard, I have spoken with Lonnie and Guerry. The only request that I have received for a hard copy package is Vernie Dove. I haven't received any other requests for additional packages or marketing flyers. Let me know if there's others so I can get those out. Also, as you saw from Lonnie's email, we spoke and he is forwarding to me a package on the property that they have provided.

Lastly, I would like to see the property before we send a proposal. Are you

available this Monday or Tuesday to drive up there? If you're not available, I can head down solo. Is there anybody from Santee Cooper that you would like me to meet with.

Thanks,
Rob.

From: Richard H. Coen [mailto:rcoen@coencapital.com]
Sent: Wednesday, August 04, 2004 11:53 AM
To: 'Jim Grant'; 'Robert Rizzi (E-mail)'; 'Frederick C. Ellsworth (E-mail)'
Cc: 'Lonnie Carter (E-mail)'; 'Pam M. Gaskins (E-mail)'
Subject: RE: Eastport PIP

Rob,
Have you talked with Lonnie?
We are on a tight time frame.
Do you have any extra copies of the offering and flyer?
Several directors have requested a hard copy and brochure.
You can get their names from Pam.

From: Jim Grant [mailto:jsggrant@coencapital.com]
Sent: Wednesday, August 04, 2004 9:44 AM
To: Robert Rizzi (E-mail); Frederick C. Ellsworth (E-mail)
Cc: Lonnie Carter (E-mail); Pam M. Gaskins (E-mail); Richard H. Coen (E-mail)
Subject: Eastport PIP

Rob,

Please send a hard copy of the Eastport PIP to Vernie << Message: Vernie E. Dove Sr. >> E. Dove, Sr., 9409 Cove Drive, Myrtle Beach, SC 29572. He is a member of the Santee Cooper Board of Directors. He does not have an email address.

Thanks!

Jim Grant

Confidentiality Notice:

This message is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, privileged, confidential or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately either by phone or reply to this e-mail, and delete all copies of this message.

From: "Richard H. Coen" <rcoen@coencapital.com>
To: "Jim Grant" <jsggrant@coencapital.com>, "Clarence Davis (E-mail)" <CXD@nmrs.com>, "G. Dial DuBose (E-mail)" <dialdubose@nalleyproperties.com>, "Guerry E. Green (E-mail)" <guerry@screenight.com>, "J. Calhoun Land IV (E-mail)" <jcland@sc.rr.com>, "James W. Sanders Sr. (E-mail)" <drsanders1@charter.net>, "Keith D. Munson (E-mail)" <kmunson@wcsr.com>, "Patrick T. Allen (E-mail)" <pallen@sc.rr.com>, "Paul G. Campbell Jr. (E-mail)" <paul.campbell@alcoa.com>, "T. Graham Edwards (E-mail)" <tgedward@santeecooper.com>, "Vernie E. Dove Sr. (Business Fax)" <lsh134.siteprotect.com>, "Bill McCall Jr. (E-mail)" <bmccall@santeecooper.com>, "Elaine Peterson (E-mail)" <egpeters@santeecooper.com>, "John West (E-mail)" <jswest@santeecooper.com>, "Lonnie Carter (E-mail)" <lcarter@santeecooper.com>
Date: Mon, Aug 2, 2004 9:52 PM
Subject: RE: Broad Street Advisors information (from Richard Coen)

Fred and Rob,
 Please contact Lonnie Carter tomorrow to discuss the Santee Cooper property in Litchfield.
 It has many of the characteristics of Eastport.
 If the board decides to use Broad Street Advisors, we would like to have the flyer out in 2-3 weeks and the packages available in 4 -6 weeks.
 I think the goal would be to have the property under contract before the elections in November.
 Let me know if this would work for you.
 What would you propose as your fee.
 This could be a joint venture, sale or long term ground lease.
 I know there is a preference for a strait sale.
 Thank you for your interest.
 RHC

From: Jim Grant [mailto:jsggrant@coencapital.com]
Sent: Monday, August 02, 2004 2:21 PM
To: Clarence Davis (E-mail); G. Dial DuBose (E-mail); Guerry E. Green (E-mail); J. Calhoun Land IV (E-mail); James W. Sanders Sr. (E-mail); Keith D. Munson (E-mail); Patrick T. Allen (E-mail); Paul G. Campbell Jr. (E-mail); Richard H. Coen (E-mail); T. Graham Edwards (E-mail); "Vernie E. Dove Sr. (Business Fax)" <lsh134.siteprotect.com>; Bill McCall Jr. (E-mail); Elaine Peterson (E-mail); John West (E-mail); Lonnie Carter (E-mail)
Cc: Frederick C. Ellsworth (E-mail); Robert Rizzi (E-mail)
Subject: Broad Street Advisors information (from Richard Coen)

The web site for Broad Street Advisors is www.broadstreetadvisors.com. Also attached is the offering package Broad Street Advisors prepared for Eastport. << File: Eastport PIP.pdf >>

Jim Grant

CC: "Frederick C. Ellsworth (E-mail)" <FEllsworth@BroadStreetAdvisors.com>, "Robert Rizzi (E-mail)" <RRizzi@BroadStreetAdvisors.com>

From: "Richard H. Coen" <rcoen@coencapital.com>
To: "Jim Grant" <jsggrant@coencapital.com>, "Clarence Davis (E-mail)" <CXD@nmrs.com>, "G. Dial DuBose (E-mail)" <dialdubose@nalleyproperties.com>, "Guerry E. Green (E-mail)" <guerry@screenight.com>, "J. Calhoun Land IV (E-mail)" <jcland@sc.rr.com>, "James W. Sanders Sr. (E-mail)" <drsanders1@charter.net>, "Keith D. Munson (E-mail)" <kmunson@wcsr.com>, "Patrick T. Allen (E-mail)" <pallen@sc.rr.com>, "Paul G. Campbell Jr. (E-mail)" <paul.campbell@alcoa.com>, "T. Graham Edwards (E-mail)" <tgedward@santeecooper.com>, "Vernie E. Dove Sr. (Business Fax)" <lsh134.siteprotect.com>, "Bill McCall Jr. (E-mail)" <bmccall@santeecooper.com>, "Elaine Peterson (E-mail)" <egpeters@santeecooper.com>, "John West (E-mail)" <jswest@santeecooper.com>, "Lonnie Carter (E-mail)" <Incarter@santeecooper.com>
Date: Mon, Aug 2, 2004 10:50 PM
Subject: RE: Broad Street Advisors information (from Richard Coen)

Fellow board members and management,
 Please review process and services on the Broad Street website link found below.
 The attached confidential offering package is a sample of their work but the best part is the process.
 Hope this helps.
 Please feel free to offer comments or suggestions.
 Thank you,
 RHC

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CC: "Frederick C. Ellsworth (E-mail)" <FEllsworth@BroadStreetAdvisors.com>, "Robert Rizzi (E-mail)" <RRizzi@BroadStreetAdvisors.com>

From: "Dial Dubose" <dialdubose@nalleyproperties.com>
 To: "Richard H. Coen" <rcoen@coencapital.com>, "Jim Grant" <jsgrant@coencapital.com>, "Clarence Davis (E-mail)" <CXD@nmrs.com>, "Guerry E. Green (E-mail)" <guerry@screenight.com>, "J. Calhoun Land IV (E-mail)" <jcland@sc.rr.com>, "James W. Sanders Sr. (E-mail)" <drsanders1@charter.net>, "Keith D. Munson (E-mail)" <kmunson@wcsr.com>, "Patrick T. Allen (E-mail)" <pallen@sc.rr.com>, "Paul G. Campbell Jr. (E-mail)" <paul.campbell@alcoa.com>, "T. Graham Edwards (E-mail)" <tgedward@santeecooper.com>, "Vernie E. Dove Sr. (Business Fax)" <lsh134.siteprotect.com>, "Bill McCall Jr. (E-mail)" <bmccall@santeecooper.com>, "Elaine Peterson (E-mail)" <egpeters@santeecooper.com>, "John West (E-mail)" <jswest@santeecooper.com>, "Lonnie Carter (E-mail)" <lcarter@santeecooper.com>
 Date: Fri, Aug 6, 2004 3:30 PM
 Subject: RE: Broad Street Advisors information (from Richard Coen)

Richard,
 This a great idea. Their work on the Eastport project was impressive.
 If it pleases the committee we need to send out a RFQ to some local firms.
 Please let me if their are any objections or legal issues that come in to play.

Thank you,

Dial

> -----Original Message-----

> From: Richard H. Coen [mailto:rcoen@coencapital.com]
 > Sent: Monday, August 02, 2004 10:49 PM
 > To: 'Jim Grant'; 'Clarence Davis (E-mail)'; 'G. Dial DuBose (E-mail)';
 > 'Guerry E. Green (E-mail)'; 'J. Calhoun Land IV (E-mail)'; 'James W.
 > Sanders Sr. (E-mail)'; 'Keith D. Munson (E-mail)'; 'Patrick T. Allen
 > (E-mail)'; 'Paul G. Campbell Jr. (E-mail)'; 'T. Graham Edwards (E-mail)';
 > 'Vernie E. Dove Sr. (Business Fax)'@lsh134.siteprotect.com; 'Bill McCall
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 > Carter (E-mail)'
 > Cc: 'Frederick C. Ellsworth (E-mail)'; 'Robert Rizzi (E-mail)'
 > Subject: RE: Broad Street Advisors information (from Richard Coen)
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 > Fellow board members and management,
 > Please review process and services on the Broad Street website link found
 > below.
 > The attached confidential offering package is a sample of their work but
 > the best part is the process.
 > Hope this helps.
 > Please feel free to offer comments or suggestions.
 > Thank you,
 > RHC
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> PIP.pdf >>
>
> Jim Grant
>

CC: "Frederick C. Ellsworth (E-mail)" <FEllsworth@BroadStreetAdvisors.com>, "Robert
Rizzi (E-mail)" <RRizzi@BroadStreetAdvisors.com>

From: Lonnie Carter
 To: dialdubose@nalleyproperties.com
 Date: 8/6/04 5:07PM
 Subject: RE: Broad Street Advisors information (from Richard Coen)

Dial,

We are working on bring this to the Property Committee on August 23rd. We probably will not have other proposals at that meeting because of the time frame and some issues we want the Committee's advice on before we solicit bids. I have asked Rob Rizzi with Broad Street Advisors to give us a proposal. This should give us an idea of what the cost might be to broker the property and also how this process works. Let me know if you want me to proceed differently.

Thanks
 Lonnie

>>> "Dial Dubose" <dialdubose@nalleyproperties.com> 08/06/04 15:30 PM >>>

Richard,

This a great idea. Their work on the Eastport project was impressive.
 If it pleases the committee we need to send out a RFQ to some local firms.
 Please let me if their are any objections or legal issues that come in to play.

Thank you,

Dial

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 > Sent: Monday, August 02, 2004 10:49 PM
 > To: 'Jim Grant'; 'Clarence Davis (E-mail)'; 'G. Dial DuBose (E-mail)';
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 > Cc: 'Frederick C. Ellsworth (E-mail)'; 'Robert Rizzi (E-mail)'
 > Subject: RE: Broad Street Advisors information (from Richard Coen)
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 > Please review process and services on the Broad Street website link found
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 > The attached confidential offering package is a sample of their work but
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 > Hope this helps.
 > Please feel free to offer comments or suggestions.
 > Thank you,
 > RHC

>
 >
 > -----
 > From: Jim Grant [mailto:jsggrant@coencapital.com]
 > Sent: Monday, August 02, 2004 2:21 PM
 > To: Clarence Davis (E-mail); G. Dial DuBose (E-mail); Guerry E. Green
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> Keith D. Munson (E-mail); Patrick T. Allen (E-mail); Paul G. Campbell Jr.
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>
> The web site for Broad Street Advisors is www.broadstreetadvisors.com
> <<http://www.broadstreetadvisors.com>>. Also attached is the offering
> package Broad Street Advisors prepared for Eastport. << File: Eastport
> PIP.pdf >>
>
> Jim Grant
>

From: "Richard Coen" <rcoen@coencapital.com>
To: <dialdubose@nalleyproperties.com>, <CXD@nmrs.com>, <guerry@screentight.com>, <kmunson@wcsr.com>, <drsanders1@charter.net>, <paul.campbell@alcoa.com>, <pallen@sc.rr.com>, <tgedward@santeecooper.com>, <kgore@firstseinsurance.com>, <jcland@sc.rr.com>
Date: Mon, Sep 13, 2004 10:47 PM
Subject: RE: property bids

Dial and fellow board members,
I think it is a shame we find ourselves in this position.
If we sell at this price we are leaving several million on the table.
However, it sends the wrong message to the real estate community to defer a decision and re-bid.
Same situation with gypsum.
Have you all seen that RFP?
It is a joke.

Why did we send out the real estate advisor RFP to so many companies?
Peoples time is valuable and we are going to upset a lot of well intentioned participants that have no business responding to this RFP.
Broad Street got theirs today and the bid is due tomorrow.
Santee Cooper sent it to the wrong address.
Broad Street went to the time and expense to fly down here to preview the property!
Santee Cooper is losing value because the board is not being heard and handling of these assets is very sloppy.
The gypsum deal is going to be a mess and we are not going to give it away.
Management needs to know that up front.
Clarence and I asked management to get Hartley Powell involved from the very start of the meetings with the coops.
He was finally present today.
We are losing our patience.
We can work together to reverse that trend.
The coops are very pleased with where we are and I believe they are 100% on board with the added value relationship.
Thank Graham for helping build the bridge.
It has been a lengthy but rewarding process.
RHC

-----Original Message-----

From: Dial Dubose [mailto:dialdubose@nalleyproperties.com]
Sent: Monday, September 13, 2004 1:53 PM
To: Richard Coen
Subject: FW: property bids

-----Original Message-----

From: Dial Dubose [mailto:dialdubose@nalleyproperties.com]
Sent: Monday, September 13, 2004 1:51 PM
To: 'nmrs.com,guerry@screentight.com'
Subject: property bids

I need your preliminary thoughts regarding whether or not we accept the bids on the property. If we elect to reject them

I believe it is appropriate to inform the bidders sooner than later.

Please advise

Dial

PS we need to have a telephonic committee meeting.

From: "Richard Coen" <rcoen@coencapital.com>
To: "Guerry Green" <guerry@screentight.com>, <dialdubose@nalleyproperties.com>, <CXD@nmrs.com>, <kmunson@wcsr.com>, <drsanders1@charter.net>, <paul.campbell@alcoa.com>, <pallen@sc.rr.com>, <tgedward@santeecooper.com>, <kgore@firstseinsurance.com>, <jcland@sc.rr.com>
Date: Tue, Sep 14, 2004 11:50 AM
Subject: RE: property bids

Dial,
Lonnie,

John West told Dial, Guerry and me that we have the right to reject any and all bids.

I did not realize we only got 1 bid.

That is not an open and competitive process to maximize value for Santee Cooper.

I will vote to reject all bids, extend the real estate advisor RFP for adequate response time for all interested respondents and re-evaluate the entire portfolio from an outside third party perspective that has the credentials and track record to dispose of a real estate portfolio of this size and complexity.

Guerry, thank you for clarifying the circumstances of the transaction.

RHC

-----Original Message-----

From: Guerry Green [mailto:guerry@screentight.com]
Sent: Tuesday, September 14, 2004 11:31 AM
To: Richard Coen; dialdubose@nalleyproperties.com; CXD@nmrs.com; kmunson@wcsr.com; drsanders1@charter.net; paul.campbell@alcoa.com; pallen@sc.rr.com; tgedward@santeecooper.com; kgore@firstseinsurance.com; jcland@sc.rr.com
Cc: Incarter@santeecooper.com
Subject: RE: property bids

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that we want to maximize the return on the property. I would like to see a draft of a letter explaining to the bidders that management acted without the authority or knowledge of the board and is withdrawing the bid process until they are directed to do otherwise. Keep in mind that only one person bid on the Litchfield property. That person was notified by me months ago that the property was going to be sold. How many other people would have bid had we actually promoted the property like any of us would have done if

we were selling our own property? Talk to you soon . Guerry

At 10:46 PM 09/13/2004 -0400, Richard Coen wrote:

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>He was finally present today.

>We are losing our patience.

>We can work together to reverse that trend.

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>on board with the added value relationship.

>Thank Graham for helping build the bridge.

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>Sent: Monday, September 13, 2004 1:53 PM

>To: Richard Coen

>Subject: FW: property bids

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> From: Dial Dubose [mailto:dialdubose@nalleyproperties.com]
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> To: 'mnrs.com,guerry@screentight.com'
> Subject: property bids
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>
> Please advise
>
> Dial
>
>
> PS we need to have a telephonic committee meeting.

CC: <Incarter@santeecooper.com>

From: Guerry Green <guerry@screentight.com>
To: <tgrahamedwards@aol.com>
Date: 9/14/04 11:58AM
Subject: Fwd: RE: property bids

Graham, Where is your leadership on this issue????I am not going to let management screw up and then blame the board. As chairman the first person taking a stand should be you. I told you some time ago that I would support you but that I expected you to lead. Your silence is deafening. Guerry

>Date: Tue, 14 Sep 2004 11:31:15 -0400

>To: "Richard Coen" <rcoen@coencapital.com>,

><dialdubose@nalleyproperties.com>, <CXD@nmrs.com>, <kmunson@wcsr.com>,

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>>From: Dial Dubose [mailto:dialdubose@nalleyproperties.com]
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>>

>> Please advise

>>

>> Dial

>>

>>

>> PS we need to have a telephonic committee meeting.

From: Lonnie Carter
To: Coen, Richard; Green, Guerry
Date: 9/15/04 5:21PM
Subject: RE: property bids

Richard and Guerry,

I am disappointed in your notes. I believe that I have followed through with the Board's instructions and guidance since our last meeting and will continue to do so. I would like to add some clarification to some of the points raised in your notes.

Yes, we did let the requests for bids on the four phase I properties go out in late July when we had agreed to hold it waiting on further comment from members of Property Committee. I have openly and repeatedly admitted this error. When I discovered the mistake, I called Dial, the Property Committee Chairman, and offered to send a letter withdrawing the request for bids. We agreed to wait until the Committee met. After consultation with the Property Committee at our last meeting, the Committee agreed not to withdraw the bid process. We agreed to see what we received and then decide whether to accept the bids or reject. At this point, we can reject any and all bids by giving the 6 or 7 bidders notice that we do not accept their bids. The Property Committee can then decide how to proceed including considering the Broker RFP's that we will have at the September meeting. We are on course with what we discussed with the Committee in August.

I am surprised that we got so few bids and only one bid for the Litchfield property. Keep in mind we mailed a notice to several hundred and sent a bid package to over 40 people who inquired about the Litchfield property. While I admit there has not been a "hard sell" of the property, a lot of people know the properties are on the market. It concerns me that we got so few bids.

At our August meeting, the Property Committee directed management to draft an RFP for brokers to get quotes to sell our surplus property. We committed to a schedule that would have the proposals ready for the Committee's review by our September meeting. Suggestions of the Committee were the basis of who should receive the RFP. As requested I sent the draft RFP and the list to receive the RFP to the Board for comment. Management incorporated the few comments received including adding some regional firms to the prospective list. There were no material comments. Richard, your reply thanked me for focusing on this and moving quickly. I don't understand your suggestion that the RFP is a "joke."

Rob Rizzi with Broad Street Advisors called me Monday afternoon (9/13) and told me that he had just received the RFP package because it went to an old address. I immediately told him we would accept his bid a day late and that he could email it with a follow up by mail. This effectively gave him two extra days. He thanked me and indicated this would give him adequate time to submit a proposal. As you indicated, he is already familiar with our interest and had visited the Litchfield property.

The responsibility for the RFP going to an old address does not rest with Santee Cooper. The RFP was sent to the address on the materials that were sent to me.

Management has heard and is following the Board's direction on the property sales and the gypsum prospect. I have sent the Board a note regarding our understanding of the Board's instructions on the gypsum prospect. We will follow them and before a commitment is made bring to the Board the gypsum sales contract, property lease and any other matter of monetary value offered by Santee Cooper. As indicated in my September 1st email, the Board will need to give us direction regarding DOC's notification that no "set a side" funds (incentives for infrastructure) will be offered to the project unless done so by Santee Cooper. This will be on the September Board agenda to receive your guidance. We remain focused on locating the prospect.

Richard regarding Hartley Powell, you asked me to recommend him as a consultant to the group. Before the first meeting, I discussed it with Ron. Ron told me that Central was not comfortable using him as a consultant. At that time Central was not sure where our discussions would lead. They were cautious. I let

you know the response that I received. Your note implies that I did nothing.

After our third meeting the Santee Cooper representatives had built trust with the Central representatives and I was able to get Ron to agree to invite Hartley to speak to the group at our fourth meeting on September 13th. This was aided by the information you forwarded me from Hartley on August 24th. I believe Hartley's presentation and discussion with the group was very positive and produced a turning point in our dialogue. If our respective Board's concur, hiring an independent consultant to make recommendations regarding our economic development efforts could have some very positive outcomes to support our efforts to provide value to the state. Our time and patience have given us an excellent opportunity.

As always I am available to discuss and listen to your concerns. I apologize for the lengthy response, but wanted to clarify these matters from my prospective. Please call me if you have any questions or concerns.

Thanks
Lonnie

>>> "Richard Coen" <rcoen@coencapital.com> 09/14/04 11:50AM >>>
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Sent: Tuesday, September 14, 2004 11:31 AM
To: Richard Coen; dialdubose@naileyproperties.com; CXD@nmrs.com;
kmunson@wcsr.com; drsanders1@charter.net; paul.campbell@alcoa.com;
pallen@sc.rr.com; tgedward@santeecooper.com; kqore@firstseinsurance.com;
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Cc: Incarter@santeecooper.com
Subject: RE: property bids

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CC: CXD@nmrs.com; drsanders1@charter.net; Edwards, Graham; G. Dial DuBose (E-mail); Gaskins, Pam; Gillians, Susie; jcland@sc.rr.com; kgore@firstseinsurance.com; kmunson@wcsr.com; McCall, Bill; pallen@sc.rr.com; paul.campbell@alcoa.com; Peterson, Elaine; Singletary, R.M.; West, John

From: Guerry Green <guerry@screentight.com>
To: <tgrahamedwards@aol.com>
Date: 9/16/04 11:06AM
Subject: Fwd: RE: property bids

Graham, Hope all is well. Are you there? Did you not get the email or are you just ignoring me? Guerry

>Date: Tue, 14 Sep 2004 11:58:57 -0400

>To: tgrahamedwards@aol.com

>From: Guerry Green <guerry@screentight.com>

>Subject: Fwd: RE: property bids

>

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From: <TGrahamEdwards@aol.com>
To: <guerry@screentight.com>
Date: 9/20/04 8:45AM
Subject: Re: property bids

Sorry, I have been out of town for the past week at meetings in Indianapolis and did not have access of my email. Certainly was not ignoring you. Remember, you always have my cell number.

I do not feel we need to constantly send emails on these issues. We need to discuss them face to face at our next board meeting. I don't feel leadership is associated with emails. We will draw conclusion to the issues next Monday at our meeting.

Regards,
Graham

From: "R Coen" <rcoen@coencapital.com>
 To: "Clarence Davis" <Clarence.Davis@nmrs.com>, <guerry@screentight.com>, <LNCARTER@santeecooper.com>, <paul.campbell@alcoa.com>, <TGrahamEdwards@aol.com>, <drsanders1@charter.net>, <kgore@firstseinsurance.com>, <dialdubose@nalleyproperties.com>, <jcland@sc.rr.com>, <pallen@sc.rr.com>, <kmunson@wcsr.com>
 Date: 4/14/04 9:12AM
 Subject: RE: Fwd: S.837 - Rankin Bill

We may be getting some job security!

-----Original Message-----

From: Clarence Davis [mailto:Clarence.Davis@nmrs.com]
 Sent: Tuesday, April 13, 2004 8:25 PM
 To: 'rcoen@coencapital.com'; 'guerry@screentight.com'; 'LNCARTER@santeecooper.com'; 'paul.campbell@alcoa.com'; 'TGrahamEdwards@aol.com'; 'drsanders1@charter.net'; 'kgore@firstseinsurance.com'; 'dialdubose@nalleyproperties.com'; 'jcland@sc.rr.com'; 'pallen@sc.rr.com'; 'kmunson@wcsr.com'
 Subject: Re: Fwd: S.837 - Rankin Bill

Fyi, the House just passed a bill that Santee Cooper board members can only be removed during their term for "cause", according to a Representative I saw tonight. That is all the detail I know.
 Clarence Davis

-----Original Message-----

From: R Coen <rcoen@coencapital.com>
 To: Clarence Davis <Clarence.Davis@nmrs.com>; guerry@screentight.com <guerry@screentight.com>; LNCARTER@santeecooper.com <LNCARTER@santeecooper.com>; paul.campbell@alcoa.com <paul.campbell@alcoa.com>; TGrahamEdwards@aol.com <TGrahamEdwards@aol.com>; drsanders1@charter.net <drsanders1@charter.net>; kgore@firstseinsurance.com <kgore@firstseinsurance.com>; dialdubose@nalleyproperties.com <dialdubose@nalleyproperties.com>; jcland@sc.rr.com <jcland@sc.rr.com>; pallen@sc.rr.com <pallen@sc.rr.com>; kmunson@wcsr.com <kmunson@wcsr.com>
 Sent: Tue Apr 13 18:52:34 2004
 Subject: RE: Fwd: S.837 - Rankin Bill

I agree with Guerry.
 The right decision is not always the popular decision.
 We are not out to get votes but rather add value to the state and customer base.
 We need to stick together and build a consensus and follow through for Santee Cooper.
 Thank you all for your comments.
 RHC

-----Original Message-----

From: Clarence Davis [mailto:Clarence.Davis@nmrs.com]
 Sent: Monday, April 12, 2004 3:14 PM
 To: 'guerry@screentight.com'; 'LNCARTER@santeecooper.com'; 'paul.campbell@alcoa.com'; 'TGrahamEdwards@aol.com'; 'drsanders1@charter.net'; 'rcoen@coencapital.com'; 'kgore@firstseinsurance.com'; 'dialdubose@nalleyproperties.com'; 'jcland@sc.rr.com'; 'pallen@sc.rr.com'; 'kmunson@wcsr.com'

>Gentlemen,

>

>The Senate surprised me last week and the Rankin bill (bill prohibits the
>\$13 million payment to state) passed out of the Senate and has gone to the
>House for consideration. Attached is a note from Geoff Penland which
>explains in greater detail. The note gives a summary of the debate which
>mostly came from Senator Rankin. There is nothing new in the debate.

>

>We don't believe the bill will get much attention in the House. I still
>recommend that we take no action until we discuss this matter at the Board
>meeting next week. I really believe that we have heard all we are going to
>hear from the bill this session of the legislature. Once we know the
>committee it is assigned to in the House, we will have a better idea of
what

>if anything will happen next.

>

>Senator Elliott's (S.871) (bill limits the Governor's ability to remove
>certain board members including Santee Cooper's) has Senator's Ryberg and
>Gregory placing their names on the bill. Until they remove their names the
>bill will not be considered on the floor of the Senate.

>

>Let me know if you have any questions.

>

>Lonnie

>

>=====

===

>The Columbia, South Carolina office of Nelson Mullins Riley & Scarborough,
>L.L.P. is moving to its new location at 1320 Main Street, 17th Floor.
>There may be brief periods of service interruption in email communications
>on Friday, April 23, 2004 as we move the computer network for our
>Firm. Pardon this inconvenience. We look forward to returning to full
>service on Monday, April 26.

>

>Confidentiality Notice

>This message is intended exclusively for the individual or entity to which
>it is addressed. This communication may contain information that is
>proprietary, privileged, confidential or otherwise legally exempt from
>disclosure. If you are not the named addressee, you are not authorized to
>read, print, retain, copy or disseminate this message or any part of
>it. If you have received this message in error, please notify the sender
>immediately either by phone (800-237-2000) or reply to this e-mail and
>delete all copies of this message.

>=====

===

Ms. Sinfold's notes

Commerce — 2½ mm. —
over that = general fund &

HHS — 180 mm — short to find median
over that acceptable?

Education — 70-100 mm short.
fund BSC → — as many
mm entries as poss.

Corrections — address budget shortfall
in mmal entries —

Pathways to ~~Education~~ Prosperity → \$1mm initial
6mm in going

Graham Edwards' notes

→ 7.5 DOC
→ 11.0 PRT
→ 3.5
→ 4.0
7.5

12.5

5.0
=

15
8
11
1.6
6.6

As my ~~check~~ X. Brown

**SANTEE COOPER
RECALCULATION OF PAYMENT TO STATE
DECEMBER, 1988 - JUNE, 2004**

<u>DATE</u>	<u>ACTUAL PAYMENT TO THE STATE</u>	<u>ADJUSTED PAYMENT TO THE STATE</u>	<u>DIFFERENCE</u>
December 31, 1988	\$2,589,000	4,993,000	\$2,404,000
June 30, 1989	\$2,777,000	2,850,000	\$73,000
December 31, 1989	\$2,815,000	0	(\$2,815,000)
June 30, 1990	\$2,815,000	0	(\$2,815,000)
December 31, 1990	\$2,820,000	0	(\$2,820,000)
June 30, 1991	\$2,820,000	0	(\$2,820,000)
December 31, 1991	\$2,908,000	0	(\$2,908,000)
June 30, 1992	\$2,907,000	0	(\$2,907,000)
December 31, 1992	\$2,998,000	0	(\$2,998,000)
June 30, 1993	\$2,998,000	\$0	(\$2,998,000)
December 31, 1993	3,129,000	1,193,000	(1,936,000)
June 30, 1994	3,027,000	810,000	(2,417,000)
December 31, 1994	3,218,000	508,000	(2,710,000)
June 30, 1995	3,217,000	1,251,000	(1,966,000)
December 31, 1995	3,340,000	9,184,000	5,844,000
June 30, 1996	3,343,000	14,344,000	11,001,000
December 31, 1996	3,581,000	1,885,000	(1,696,000)
June 30, 1997	3,880,000	0	(3,880,000)
December 31, 1997	3,802,000	3,417,000	(385,000)
June 30, 1998	3,803,000	3,818,000	15,000
December 31, 1998	3,789,000	0	(3,789,000)
June 30, 1999	4,114,000	3,881,000	(233,000)
December 31, 1999	4,032,000	20,234,000	16,202,000
June 30, 2000	4,486,000	11,258,000	6,772,000
December 31, 2000	4,458,000	10,457,000	5,999,000
June 30, 2001	4,758,000	11,948,000	7,189,000
December 31, 2001	4,861,000	0	(4,861,000)
June 30, 2002	5,335,000	0	(5,335,000)
December 31, 2002	5,062,000	0	(5,062,000)
June 30, 2003	5,423,000	3,998,000	(1,425,000)
December 31, 2003	5,312,000	22,841,000	17,529,000
June 30, 2004	5,864,000	2,354,000	(3,510,000)
December 31, 2004	5,908,000	7,422,000	1,513,000
TOTAL FOR PERIOD	\$126,270,000	\$138,225,000	\$11,955,000



**Request for Proposal
For
REAL ESTATE BROKERAGE & ADVISORY
SERVICES**

September 14, 2004

**One Riverwood Drive
P.O. Box 2946101
Moncks Corner, SC 29461-6101**

South Carolina Public Service Authority (Santee Cooper)
Request for Proposal
REAL ESTATE BROKERAGE & ADVISORY SERVICES

SECTION I: INSTRUCTIONS TO PROPOSERS/ GENERAL INFORMATION

A. SANTEE COOPER OVERVIEW.

Santee Cooper, also known as the South Carolina Public Service Authority (SCPSA), is a utility created under the laws of South Carolina which, among other things, produces, transmits, and distributes electrical energy, both wholesale and retail, to the citizens of South Carolina. Santee Cooper is the nation's third largest public power system. Its power system encompasses all of the geographical area of the state. Santee Cooper and its 1700 employees serve directly and indirectly some of the most rapidly developing areas of the state, including growing suburban areas outside Charleston and Columbia as well as the coastal area of Myrtle Beach, Hilton Head Island, Kiawah Island, and Seabrook Island.

Santee Cooper's direct customers include one military establishment, 31 large industrial customers, and approximately 140,000 residential, commercial, and small industrial customers. Santee Cooper also provides power to Central Electric Power Cooperative, Inc. and two municipal electric systems, the City of Georgetown and the Town of Bamberg. Central Electric Power Cooperative, Inc. is a generation and transmission cooperative that provides wholesale electric service to each of the 20 electric distribution cooperatives located in all 46 counties of South Carolina. Through these wholesale customers, approximately 1.8 million South Carolinians receive their power from Santee Cooper.

Santee Cooper directly serves in excess of 140,000 residential, commercial, and small industrial customers in parts of Berkeley, Georgetown, and Horry counties. Service is provided to these customers through retail office employees located in Myrtle Beach, North Myrtle Beach, St. Stephen, Conway, Garden City, Loris, Moncks Corner, and Pawleys Island.

Santee Cooper's main generation comes from Jefferies Station (hydro, coal, and oil) located in Moncks Corner, Cross Station (coal) located in Cross, Winyah Station (coal) located in Georgetown, and Grainger Station (coal) located in Conway. Santee Cooper also has one-third ownership share of V.C. Summer Nuclear plant located in Jenkinsville. Our newest Generating Station is Rainey Generating Station in upper South Carolina near Anderson. It began commercial operation in 2002. To meet the increased demands of a growing and dynamic state, Santee Cooper has additional generation planned. Two 600 MW class units are scheduled to begin operation in 2007 and 2009. Santee Cooper has over 4,400 miles of transmission lines and more than 2,200 miles of distribution lines.

In addition to the electric entity, Santee Cooper has expanded to include the sale of water. Having constructed its first water treatment plant, Santee Cooper began commercial water operations in October 1994. The system can deliver up to 30 million gallons of water per day to its four wholesale cooperatives who serve approximately 116,000 customers.

Santee Cooper has joined forces with JEA, Municipal Electric Authority of Georgia (MEAG) and Nebraska Public Power District (NPPD) to form The Energy Authority (TEA), a power marketing alliance. TEA is a Georgia not-for-profit corporation, with corporate offices in Jacksonville, Florida.

TEA is a full-service power-marketing organization with seven-day per week, 24-hour per day trading operations responsible for actively buying and selling wholesale power for its members.

For additional information, visit the Santee Cooper web site at www.santecooper.com.

B. PURPOSE.

From time to time, Santee Cooper will elect to dispose of selected excess properties it owns at various locations within South Carolina. Santee Cooper desires to engage professionals experienced with real estate brokerage and advisory services to assist it with disposition of certain properties that Santee Cooper's Board of Directors has identified in Section E below as surplus. This request seeks proposals to provide advice, market and sell these selected excess properties. Any resultant contract with a selected firm will be governed by the Contract format mutually agreed upon by both parties.

Any real estate broker selected to provide services to Santee Cooper shall serve at the pleasure of Santee Cooper and the professional services of any firm may be terminated, at the sole discretion of Santee Cooper upon delivery of written notice of such termination to the selected firm.

C. SUBMISSION OF PROPOSAL INFORMATION.

Proposals are to include written responses to the questions and requests for information in the manner specified in this request and are to be labeled "Real Estate Brokerage & Advisory Services – Due Date: September 14, 2004" and submitted to the following:

Santee Cooper Corporate Secretary
Attn: Gail Graham M604
PO Box 2946101
One Riverwood Drive
Moncks Corner, SC 29461-2901

To be considered, one (1) copy of the proposal must be delivered to Santee Cooper not later than 12:00 noon on September 14, 2004. All proposals will be time and date stamped upon receipt. Late proposals will not be accepted. Santee Cooper reserves the right to reject any or all proposals received.

D. ADDITIONAL INFORMATION.

It is the responsibility of the responder to inquire about and clarify any aspect of this request. Questions should be directed to D. L. Wright, Manager, Procurement, at telephone 843-761-8000, ext. 5041. Substantive questions and answers will be documented in letter form and will be sent to all firms invited to submit a proposal.

E. LIST OF PROPERTIES FOR DISPOSAL.

See EXHIBIT A attached which includes:

Vacant Lands	36.66 Acres
Non-Project Land Forested Undeveloped	647 Acres
Non-Project Land Residential Undeveloped	412 Acres

F. SELECTION PROCESS.

Santee Cooper's Evaluation Committee will review the submitted proposals. The proposals will be evaluated based on the selection criteria stipulated below. Proposals which omit any of the required information may be rejected as non-responsive. After its review and evaluation, the committee will make a selection decision and present its recommendation to Santee Cooper's Executive Management Purchasing Committee for approval.

Santee Cooper may at any time prior to the selection of a firm reject any and all proposals without liability therefore. Further, regardless of the number and quality of the proposals submitted, Santee Cooper shall under no circumstances be responsible for any responder's costs and expenses incurred in submitting a proposal in response to this request. Each firm that submits a proposal does so solely at its own cost, risk and expenses. This request in no way obligates Santee Cooper to select a firm.

G. SELECTION CRITERIA.

The Evaluation Committee composed of selected members of Santee Cooper staff will review the proposals received in response to this request. The committee will generally use the following criteria to evaluate all acceptable proposals to select the most qualified firm. However, the committee reserves the right to evaluate proposals based upon factors beyond the listed criteria.

CRITERIA

1. Qualifications of the staff to be assigned to Santee Cooper's account
2. Professional qualifications and licenses necessary for satisfactory performance of required services
3. Capacity to assign resources to accomplish the work
4. Advertising and marketing abilities and proposed plan for marketing the properties listed herein
5. Experience selling similar properties in South Carolina
6. Familiarity with market conditions in the area where the properties are located
7. Satisfactory past performance on contracts with Santee Cooper, other government agencies, and private industry on similar projects
8. Specialized experience and technical competence in the type of work required
9. Has or will obtain Insurance as stipulated herein
10. Reasonableness of anticipated fees and/or compensation requirements

SECTION II: SCOPE OF SERVICES AND REQUIREMENTS.

The firm selected will provide the following services including but not limited to:

1. Advise Santee Cooper on the expected selling price range as well as listing price
2. Advise Santee Cooper concerning market conditions and expected time to sell
3. Develop and implement a sale strategy and marketing plan for each property
4. Provide all proposals and offers to Santee Cooper
5. Provide and review documents related to sale and assist in the closing of sales

SECTION III: PROPOSAL FORMAT

A. TRANSMITTAL LETTER.

A one page transmittal letter prepared on the responding firm's business stationery should accompany the proposal.

B. PROPOSAL RESPONSE.

The proposal should be labeled "Real Estate Brokerage & Advisory Services". The submission must contain sufficient information to enable the Evaluation Committee to evaluate the proposal. It should be prepared in a clear and concise manner and should address each of the following subsections:

1. Broker Personnel.

Describe the manner in which you would organize your firm's resources to serve as Santee Cooper's real estate broker. In doing so, please address the following questions or issues:

- a. Provide organizational information concerning your firm's personnel resources and office locations that can be utilized for this project.
- b. Identify the individual(s) who will manage the marketing of the properties on a day-to-day basis. Indicate the degree to which he or she will be able to commit the firm's resources to Santee Cooper. What is this person's availability for this assignment and what other commitments does he or she have? Please provide information about his/her education, professional certifications/licenses, and experience.
- c. Identify other personnel and/or subcontractors who will be assigned to work on this project, their roles and responsibilities. Provide a statement of the background, skills and expertise of each individual identified to complete the services assigned her/him. Please ensure you include information about their education, professional certifications/licenses, and experience.

2. Marketing Approach and Recommendation for the Sales Price.

Please respond briefly to the following issues as you deem appropriate:

- a. Method(s) to be used determine selling price
- b. Types of marketing available locally, regionally, and nationally if required and how your firm would approach marketing for this assignment

3. Presence within and familiarity of areas where properties are located.

Please explain your firm's presence in and familiarity with the market areas where the properties are located and describe how this is relevant to this selection. Please provide the number of transactions and the total sales of your firm by year for the last five (5) years. How many of the transactions by year were related to properties in South Carolina?

4. Rationale for Appointment and Proposal Summary.

This section of the proposal should be used to present the case for your firm's appointment to the position sought. Briefly describe your firm's qualifications and experience. Describe how your qualifications and experience in marketing and selling properties is relevant to the proposed transaction. In particular, you may want to select properties you sold where you overcame challenges which may be encountered with the properties being considered for this assignment.

5. Past Performance and References.

Please provide the following information as pertains to past performance:

- a. Provide a listing of at least five engagements where your firm performed services on similar projects. The listing should include:
 - 1). A brief description of the project and the property location,
 - 2). The client's name, and
 - 3). The client's contact and phone number.
- b. For the last five (5) years, what is the average amount of time between listing of the properties and closing?

- c. Provide the average percentage above appraised value (exclusive of commissions) your firm has achieved in each of the last five (5) years.

6. Indemnification and Insurance.

Confirm that your firm has or will obtain and maintain for the duration of any resultant contract, insurance coverages in the minimum coverage amounts indicated in the below listed Indemnification and Insurance Requirements.

7. Brokerage Fee/Compensation.

Your proposal shall describe the Broker's proposed compensation structure including fee and payment schedule.

INDEMNIFICATION AND INSURANCE REQUIREMENTS

Section 1. The Firm shall indemnify and hold Santee Cooper, joint ventures, agents, and employees harmless from and against all liability claims and demands on account of damages to persons or property, including death to employees of the Firm or his suppliers or subcontractors, arising out of or connected with the performance of this Agreement regardless of whether such injury, loss or damage shall be caused by the negligence of the Firm, his subcontractors, suppliers, agents, employees, or otherwise. The Firm shall at his own expense, defend any and all actions based herein and pay all attorney's fees, costs and expenses arising therefrom.

Without limiting any of the other obligations or liabilities of the Firm, the Firm shall provide and maintain, until the services are completed and accepted by Santee Cooper, minimum insurance coverage as follows (aircraft insurance is required only when an aircraft is used in conjunction with the contract):

- a. Aircraft Liability (Required when used in conjunction with this contract):
 - (1) Combined single limit, bodily injury/property damage - \$2,000,000
 - (2) Passenger liability of at least \$100,000 per seat
- b. Workers' Compensation
 - (1) Statutory – Subject to the laws of the State of South Carolina
 - (2) Employer's Liability –
 - a. Bodily injury by accident – \$500,000 each accident
 - b. Bodily injury by disease – \$500,000 each employee
- c. Commercial General Liability – Occurrence Form

Minimum \$1,000,000 limit – Personal injury/property damage unless checked below:

Coverage A should include premises, operations, products and completed operations, independent contractors, contractual liability covering this agreement or contract, fire legal liability and broad form property damage coverages.

Coverage B should include personal injury and advertising injury.

Coverage C should include medical payments.
- d. Comprehensive Automobile Liability

Minimum limit of \$500,000 – bodily injury and property damage, unless checked below:

Automobile Liability coverage is to include bodily injury and property damage arising out of operation, maintenance or use of any auto, including owned, non-owned and hired automobiles and employee non-ownership use.

- e. Professional Liability (Errors and Omissions) – \$1,000,000

CERTIFICATES OF INSURANCE

Certificates of such insurance are to be provided to Santee Cooper before commencement of any work under this Agreement. Certificates of Insurance shall provide that Santee Cooper shall be notified at least 30 days in advance of cancellation, nonrenewal or adverse change. New Certificates of Insurance are to be provided to Santee Cooper at least 15 days prior to coverage renewals. If required by Santee Cooper, the Firm shall furnish copies of the Firm's insurance policies, forms and endorsements.

Receipt of Certificates or other documentation of insurance or policies or copies of policies by Santee Cooper or any of its representatives which indicate less coverage than required does not constitute a waiver of the Firm's obligation to meet the insurance requirements herein. All insurance contracts shall be countersigned by a resident agent or attorney in fact, and complete address and telephone number shall be provided with certificates.

As respects to general, automotive, and aircraft liability insurance, Santee Cooper shall be an additional insured on the policy. The Certificate of Insurance will indicate Santee Cooper as an additional insured.

As respects to aircraft liability insurance, the Certificate will show specific activity or activities which the Firm will be performing. Certificate will also show as a separate statement that Firm's aircraft liability insurance is the primary insurance as respects any occurrence.

ADDITIONAL REQUIREMENTS

The Firm shall not allow any subcontractor to commence work until the Firm has determined that the subcontractor has met the minimum insurance requirements specified above.

Insurance required of the Firm or any subcontractor shall be considered primary, and insurance of Santee Cooper shall be considered excess, as may be applicable to claims which arise out of the hold harmless, insurance, additional insurance and Certificates of Insurance provisions of this Agreement.

Note that Commercial General Liability is to be based on the occurrence form and not claims made unless otherwise approved in writing by Santee Cooper. Further, Firm's general liability insurance policy shall contain no condition or endorsement that prohibits Santee Cooper as an additional insured from making claim under said policy against Firm as named insured.

All coverage required herein shall be placed with carriers that are acceptable to Santee Cooper, and coverage should be provided by insurance carriers which are licensed (also referred to as admitted) by the State of South Carolina or by insurance carriers which are acceptable as surplus line carriers (also referred to as acceptable non admitted carriers) by the State of South Carolina.

Precautions shall be exercised at all times by the Firm for the protection of all persons, including employees and property. The Firm shall make special effort to detect hazardous conditions and shall take prompt action where loss control safety measures should reasonably be expected.

REAL ESTATE BROKERS

Advantis GVA
Roderick S. Tumlin, CCIM
3455 Peachtree Road, N.E., Suite 400
Atlanta, GA 30326

The Agent Owned Realty Co.
Alfred Kelly
401 S. Mill Street
Manning, SC 29102

Appraisal Solutions
Kenneth A. Giles, CCIM
216 Mallet Hill Road
Columbia, SC 29223

Atlantic Coast Properties
Lindsey Younts
512 Gregg Ave.
Aiken, SC 29801

BarkleyFraser.com
Christopher B. Frazer, CCIM
1483 Tobias Gadson Blvd.
Suite 109
Charleston, SC 29407

Mr. Bryan Bazzle
PO Box 961
Moncks Corner, SC 29461

Mr. Roy Belser
PO Box 1919
Sumter, SC 29151

Blanchard Harris Realty Inc
Malcolm C. Harris
1414 Swann Ave #201
Tampa, FL 33606

Broad Street Advisors
Robert Rizzi
111 Broadway, 11th Floor
New York, NY 10006

Carolina Commercial Real Estate, LLC
1304 Azalea Court, Suite D
Myrtle Beach, SC 29577

Carroll Properties Corporation
Elizabeth C. Belenchia, CCIM
PO Box 2524
10395 Greenville Highway
Spartanburg, SC 29304

Catterton-General, LLC
Gary A Catterton, CCIM
1525 Highway 7
Charleston, SC 29407

CB Richard Ellis/Columbia
F. McCord Ogburn, SIOR, CCIM
1136 Washington Street
Suite 700
Columbia, SC 29201

Centennial American Properties, LLC
Peter Brett, CCIM of
Director of Development
131 Falls Street
Greenville, SC 29601

Central Investments Inc
Richard L. Biseli
550 N Reo St #300
Tampa, FL 33609

Century 21
Santee Associates, South Shore
PO Box 485
Santee, SC 29142

Century 21
Scott Clark
PO Box 485
Santee, SC 29142

Century 21
The Alderman Agency
PO Box 962
Manning, SC 29102

Century 21 Grimes & Assoc.
Truitt Owens
PO Box 664
Georgetown, SC 29442

Cobb & Sabbagha Realty
Jackson L. Cobb, CCIM
1126 Pine Croft Drive
West Columbia, SC 29170

Coldwell Banker
Pat Williams Realty
230 Plaza Circle
Santee, SC 29142

Coldwell Banker Commercial Caine
Bryan Blackwood, CCIM
PO Box 1908
Greenville, SC 29602

Coldwell Banker Commercial Chicora Real Estate
Litchfeld Office
14792 Ocean Highway
Pawleys Island, SC 29585

Coldwell Banker Commercial Seaboard Properties
George J. Wilds, CCIM
720 S. Coit Street
Florence, SC 29501

Colliers and Keenan
John Folsom
PO Box 11610
Columbia, SC 29211

Colliers Keenan Goldsmith
Brent L. Freeman, CCIM
201 East McBee Ave., Suite 201
PO Box 10825
Greenville, SC 29601

Cross Commercial Property, Inc.
Jan B. Cross, CCIM
PO Box 10349
Greenville, SC 29603-0349

Daniel & Associates
John C. Daniel, CCIM
2250 Cape Jasmine Drive
Sanford, NC 27330

Developer's Realty & Investment Properties, Inc.
Henree D. Martin, CCIM
1435 East Piedmont Drive, Suite 202
Tallahassee, FL 32308

DEVIRON Property Svcs, Inc.
Ronald E. Buchanan, CCIM
120 Derby Forest Court
Roswell, GA 30076

E. F. Huck & Associates
E. F. (Buddy) Huck
Suite 1, 4710 Oleander Dr.
Myrtle Beach, SC 29577

The Eagleton Kathe Company
James E. Eagleton
8934 SW 129th Terr
P O Box 560389
Miami, FL 33176

East Coast Realty
Scott Corman
PO Box 664
N. Myrtle Beach, SC 29597

Eastdil Realty
Randall Evans
2859 Paces Ferry Road, Suite 1850
Atlanta, GA 30339

Eastrock Properties
Loren Ziff
1412 Thompson Ave.
Sullivan's Island, SC 29482

Exum Auction Company
Joe Exum
521 Crooked Oak Drive
Pawleys Island, SC 29585

Finch Enterprises
Henry T. Finch, CCIM
PO Box 670
Isle Of Palms, SC 29451

Gene Forte Realty
400B Altman Street
Moncks Corner, SC 29461

Gibson Smith Realty Company
H. P. Smith, CCIM
301 South College St, Ste 3880
One Wachovia Center
Charlotte, NC 28202

Griggs-Floyd & Grantham, Inc./GMAC
James O. Griggs, CCIM
1716 Cherokee Road
Florence, SC 29501

Grubb & Ellis Atlanta
Bobby Bresee
3333 Peachtree Rd NE Third Floor
Atlanta, GA 30326-1070

H. B. Springs Commercial Real Estate
T. Van Davenport, Managing Partner
PO Box 246
2511 North Oak Street
Myrtle Beach, SC 29478

Hammond Tarleton Properties, Inc.
Frank P. Hammond, Jr., CCIM
PO Box 6102
Greenville, SC 29606

ILJ Properties
Wendell Furtick
2025A Industrial Drive
Lexington, SC 29072

John McAllister Realty Consulting
John A. McAllister, Jr.
420 Aiken Hunt Circle
Columbia, SC 29223

Jones Lang Lasalle Americas
Josh Riley, CCIM
4260 Stackstone Drive
Cumming, GA 30041

Keystone Commercial Realty, LLC
Kal Kassel
PO Box 1126
Pawleys Island, SC 29585

Pamela H. Lappin, CCIM
6017 Sandy Springs Circle
Atlanta, GA 30328

Leonard Call & Associates, Inc.
Sumter L. Langston, CCIM
3501 North Kings Hwy.
Myrtle Beach, SC 29577

Litchfield Company
G. Royce King, Jr.
14240 Ocean Hwy 17
Pawleys Island, SC 29585

Litchfield Company
Susan Parker
PO Box 97
Pawleys Island, SC 29585

Myrtle Beach Commercial Real Estate
Gerrie F. Watson, CCIM
Broker-in-Charge
1293 Professional Drive, Suite D
Myrtle Beach, SC 29577

Nai Batten & Moore
Charles L. Moore, CCIM
49 Immigration Street, Suite 100
PO Box 509
Charleston, SC 29402

Charles S. Neil, CCIM
Grubb & Ellis|Bissell Patrick
13860 Ballantyne Commons Place, Suite 300
Charlotte, NC 28277

Penix-Hamilton Commercial Real Estate Services
David C. Penix, CCIM
1452 Greene Street
PO Box 1646
Augusta, GA 30901

Preferred Real Estate Funds LLC
Stephen T Rothschild, CCIM
1266 West Paces Ferry Suite 415
Atlanta, GA 30327

The Providence Group of the Carolinas, LLC
Henry J Breaux, CCIM
6739-A Fairview Rd.
Charlotte, NC 28210

Prudential Burroughs and Chapin
Tony K. Cox, CCIM
7421 North Kings Hwy
Myrtle Beach, SC 29572

Prudential Carolina Real Estate
James H. Rowe, CCIM
195 W. Coleman Blvd.
Mount Pleasant, SC 29464

Prudential Real Estate
Kim Wills
900 N Main Street
Summerville, SC 29483

Queens Properties Inc
James Gragnolati, CCIM
J.A Jones Drive
Charlotte, NC 28287

Richardson Real Estate, Inc.
Lawrence R. Richardson, CCIM
PO Box 11182
Pensacola, FL 32524

Re/Max Professional Realty
Robert Pratt, CCIM
9209 University Blvd.
Charleston, SC 29406

Re/Max Professionals
Steve Tyler
2391-B David Mcleod Blvd
Florence, SC 29501

Retain & Investment Property Advisors
George E. Wilson, CCIM
635 East Bay Street, Suite F
Charleston, SC 29403

Rinehart Realty Corporation
John D. Rinehart, CCIM
1339 Ebenezer Road
Rock Hill, SC 29732

Santee Realty
Hwy 6 East
Santee, SC 29142

Spencer/Hines Properties
Lynn Spencer, CCIM
Broker-In-Charge
380 S. Pine Street
Spartanburg, SC 29302

Sperry Van Ness – Boslely DeMint Realty
Tom DeMint, CCIM
1540 Fording Island Rd., #20B
Hilton Head Island, SC 29926

Strategic Real Estate Advisors
James Robertson
887 Johnnie Dodds Blvd.
Mt Pleasant, SC 29464

TechSites Real Estate Services
Stephen Clark, CCIM
1870 The Exchange Suite 100
Atlanta, GA 30339

Ulay Thompson Realty
Ulay J. Thompson
9127 North Bay Blvd
Orlando, FL 32819

United Country, Southside Realty
Barney Atkinson
12104 Old Hwy 6
Eutawville, SC 29048

Waccama Land & Timber
Mark Kelly
4705-A Oleander Drive
Myrtle Beach, SC 29577

Alline Wheaton
5287 Water View
Charleston, SC 29148



**Request for Proposal
For
REAL ESTATE BROKERAGE &
ADVISORY SERVICES**

_____, 2004

**One Riverwood Drive
P.O. Box 2946101
Moncks Corner, SC 29461-6101**

South Carolina Public Service Authority (Santee Cooper)
Request for Proposal
REAL ESTATE BROKERAGE & ADVISORY SERVICES

SECTION I: INSTRUCTIONS TO PROPOSERS/ GENERAL INFORMATION
A. SANTEE COOPER OVERVIEW.

Santee Cooper, also known as the South Carolina Public Service Authority (SCPSA), is a utility created under the laws of South Carolina which, among other things, produces, transmits, and distributes electrical energy, both wholesale and retail, to the citizens of South Carolina. Santee Cooper is the nation's third largest public power system. Its power system encompasses all of the geographical area of the state. Santee Cooper and its 1700 employees serve directly and indirectly some of the most rapidly developing areas of the state, including growing suburban areas outside Charleston and Columbia as well as the coastal area of Myrtle Beach, Hilton Head Island, Kiawah Island, and Seabrook Island.

Santee Cooper's direct customers include one military establishment, 31 large industrial customers, and approximately 140,000 residential, commercial, and small industrial customers. Santee Cooper also provides power to Central Electric Power Cooperative, Inc. and two municipal electric systems, the City of Georgetown and the Town of Bamberg. Central Electric Power Cooperative, Inc. is a generation and transmission cooperative that provides wholesale electric service to each of the 20 electric distribution cooperatives located in all 46 counties of South Carolina. Through these wholesale customers, approximately 1.8 million South Carolinians receive their power from Santee Cooper.

Santee Cooper directly serves in excess of 140,000 residential, commercial, and small industrial customers in parts of Berkeley, Georgetown, and Horry counties. Service is provided to these customers through retail office employees located in Myrtle Beach, North Myrtle Beach, St. Stephen, Conway, Garden City, Loris, Moncks Corner, and Pawleys Island.

Santee Cooper's main generation comes from Jefferies Station (hydro, coal, and oil) located in Moncks Corner, Cross Station (coal) located in Cross, Winyah Station (coal) located in Georgetown, and Grainger Station (coal) located in Conway. Santee Cooper also has one-third ownership share of V.C. Summer Nuclear plant located in Jenkinsville. Our newest Generating Station is Rainey Generating Station in upper South Carolina near Anderson. It began commercial operation in 2002. To meet the increased demands of a growing and dynamic state, Santee Cooper has additional generation planned. Two 600 MW class units are scheduled to begin operation in 2007 and 2009. Santee Cooper has over 4,400 miles of transmission lines and more than 2,200 miles of distribution lines.

In addition to the electric entity, Santee Cooper has expanded to include the sale of water. Having constructed its first water treatment plant, Santee Cooper began commercial water operations in October 1994. The system can deliver up to 30 million gallons of water per day to its four wholesale cooperatives who serve approximately 116,000 customers.

Santee Cooper has joined forces with JEA, Municipal Electric Authority of Georgia (MEAG) and Nebraska Public Power District (NPPD) to form The Energy Authority (TEA), a power marketing alliance. TEA is a Georgia not-for-profit corporation, with corporate offices in Jacksonville, Florida. TEA is a full-service power-marketing organization with seven-day

per week, 24-hour per day trading operations responsible for actively buying and selling wholesale power for its members.

For additional information, visit the Santee Cooper web site at www.santeecooper.com.

B. PURPOSE.

From time to time, Santee Cooper will elect to dispose of selected excess properties it owns at various locations within South Carolina. Santee Cooper desires to engage professionals experienced with real estate brokerage and advisory services to assist it with disposition of certain properties that Santee Cooper's Board of Directors has identified in Section E below as surplus. This request seeks proposals to provide advice, to market and to sell the Litchfield and Little River properties from Phase 1 and selected excess properties in Phases 2 and 3. Any resultant contract with a selected firm will be governed by the Contract format mutually agreed upon by both parties.

Any real estate broker selected to provide services to Santee Cooper shall serve at the pleasure of Santee Cooper and the professional services of any firm may be terminated, at the sole discretion of Santee Cooper upon delivery of written notice of such termination to the selected firm.

C. SUBMISSION OF PROPOSAL INFORMATION.

Proposals are to include written responses to the questions and requests for information in the manner specified in this request and are to be labeled "Real Estate Brokerage & Advisory Services – Due Date _____" and submitted to the following:

Santee Cooper Corporate Secretary
Attn: Gail Graham M604
PO Box 2946101
One Riverwood Drive
Moncks Corner, SC 29461-2901

To be considered, one (1) copy of the proposal must be delivered to Santee Cooper not later than 12:00 noon on _____, 2004. All proposals will be time and date stamped upon receipt. Late proposals will not be accepted. Santee Cooper reserves the right to reject any or all proposals received.

D. ADDITIONAL INFORMATION.

It is the responsibility of the responder to inquire about and clarify any aspect of this request. Questions should be directed to John S. West, Executive Vice President & Chief Legal Officer, at telephone 843-761-7078. Substantive questions and answers will be documented in letter form and will be sent to all firms invited to submit a proposal.

E. LIST OF PROPERTIES FOR DISPOSAL.

PROPERTY DESCRIPTION AND LOCATION, ETC NEEDS TO BE LISTED HERE. IF THERE ARE OTHER DOCUMENTS THAT PROVIDE INFORMATION ABOUT THE PROPERTIES THAT ARE TO BE ATTACHED, THEN THOSE DOCUMENTS SHOULD ALSO BE REFERENCED HERE.

F. SELECTION PROCESS.

Santee Cooper's Evaluation Committee will review the submitted proposals. The proposals will be evaluated based on the selection criteria stipulated below. Proposals which omit any of the required information may be rejected as non-responsive. After its review and evaluation, the committee will make a selection decision and present its recommendation to Santee Cooper's Executive Management Purchasing Committee for approval.

Santee Cooper may at any time prior to the selection of a firm reject any and all proposals without liability therefore. Further, regardless of the number and quality of the proposals submitted, Santee Cooper shall under no circumstances be responsible for any responder's costs and expenses incurred in submitting a proposal in response to this request. Each firm that submits a proposal does so solely at its own cost, risk and expenses. This request in no way obligates Santee Cooper to select a firm.

G. SELECTION CRITERIA.

The Evaluation Committee composed of selected members of Santee Cooper staff will review the proposals received in response to this request. The committee will generally use the following criteria to evaluate all acceptable proposals to select the most qualified firm. However, the committee reserves the right to evaluate proposals based upon factors beyond the listed criteria.

CRITERIA

1. Qualifications of the staff to be assigned to Santee Cooper's account
2. Professional qualifications and licenses necessary for satisfactory performance of required services
3. Capacity to assign resources to accomplish the work
4. Advertising and marketing abilities and proposed plan for marketing the properties listed herein
5. Experience selling similar properties in South Carolina
6. Familiarity with market conditions in the area where the properties are located
7. Satisfactory past performance on contracts with Santee Cooper, other government agencies, and private industry on similar projects
8. Specialized experience and technical competence in the type of work required
9. Has or will obtain Insurance as stipulated herein
10. Reasonableness of anticipated fees and/or compensation requirements

SECTION II: SCOPE OF SERVICES AND REQUIREMENTS.

The firm selected will provide the following services including but not limited to:

1. Advise Santee Cooper on the expected selling price range as well as listing price
2. Advise Santee Cooper concerning market conditions and expected time to sell
3. Develop and implement a sale strategy and marketing plan for each property
4. Provide all proposals and offers to Santee Cooper
5. Provide and review documents related to sale and assist in the closing of sales

SECTION III: PROPOSAL FORMAT

A. TRANSMITTAL LETTER.

A one page transmittal letter prepared on the responding firm's business stationery should accompany the proposal.

B. PROPOSAL RESPONSE.

The proposal should be labeled "Real Estate Brokerage & Advisory Services". The submission must contain sufficient information to enable the Evaluation Committee to evaluate the proposal. It should be prepared in a clear and concise manner and should address each of the following subsections:

1. Broker Personnel.

Describe the manner in which you would organize your firm's resources to serve as Santee Cooper's real estate broker. In doing so, please address the following questions or issues:

- a. Provide organizational information concerning your firm's personnel resources and office locations that can be utilized for this project.
- b. Identify the individual(s) who will manage the marketing of the properties on a day-to-day basis. Indicate the degree to which he or she will be able to commit the firm's resources to Santee Cooper. What is this person's availability for this assignment and what other commitments does he or she have? Please provide information about his/her education, professional certifications/licenses, and experience.
- c. Identify other personnel and/or subcontractors who will be assigned to work on this project, their roles and responsibilities. Provide a statement of the background, skills and expertise of each individual identified to complete the services assigned her/him.

Please ensure you include information about their education, professional certifications/licenses, and experience.

2. Marketing Approach and Recommendation for the Sales Price.

Please respond briefly to the following issues as you deem appropriate:

- a. Method(s) to be used determine selling price
- b. Types of marketing available locally, regionally, and nationally if required and how your firm would approach marketing for this assignment

3. Presence within and familiarity of areas where properties are located.

Please explain your firm's presence in and familiarity with the market areas where the properties are located and describe how this is relevant to this selection. Please provide the number of transactions and the total sales of your firm by year for the last five (5) years. How many of the transactions by year were related to properties in South Carolina?

4. Rationale for Appointment and Proposal Summary.

This section of the proposal should be used to present the case for your firm's appointment to the position sought. Briefly describe your firm's qualifications and experience. Describe how your qualifications and experience in marketing and selling properties is relevant to the proposed transaction. In particular, you may want to select properties you sold where you overcame challenges which may be encountered with the properties being considered for this assignment.

5. Past Performance and References.

Please provide the following information as pertains to past performance:

- a. Provide a listing of at least five engagements where your firm performed services on similar projects. The listing should include:
 - 1). A brief description of the project and the property location,
 - 2). The client's name, and
 - 3). The client's contact and phone number.
- b. For the last five (5) years, what is the average amount of time between listing of the properties and closing?
- c. Provide the average percentage above appraised value (exclusive of commissions) your firm has achieved in each of the last five (5) years.

6. Indemnification and Insurance.

Confirm that your firm has or will obtain and maintain for the duration of any resultant contract, insurance coverages in the minimum coverage amounts indicated in the below listed Indemnification and Insurance Requirements.

7. Brokerage Fee/Compensation.

Your proposal shall describe the Broker's proposed compensation structure including fee and payment schedule.

INDEMNIFICATION AND INSURANCE REQUIREMENTS

Section 1. The Firm shall indemnify and hold Santee Cooper, joint ventures, agents, and employees harmless from and against all liability claims and demands on account of damages to persons or property, including death to employees of the Firm or his suppliers or subcontractors, arising out of or connected with the performance of this Agreement regardless of whether such injury, loss or damage shall be caused by the negligence of the Firm, his subcontractors, suppliers, agents, employees, or otherwise. The Firm shall at his own expense, defend any and all actions based herein and pay all attorney's fees, costs and expenses arising therefrom.

Without limiting any of the other obligations or liabilities of the Firm, the Firm shall provide and maintain, until the services are completed and accepted by Santee Cooper, minimum insurance coverage as follows (aircraft insurance is required only when an aircraft is used in conjunction with the contract):

- a. Aircraft Liability (Required when used in conjunction with this contract):
 - (1) Combined single limit, bodily injury/property damage - \$2,000,000
 - (2) Passenger liability of at least \$100,000 per seat
- b. Workers' Compensation
 - (1) Statutory - Subject to the laws of the State of South Carolina
 - (2) Employer's Liability -
 - a. Bodily injury by accident - \$500,000 each accident
 - b. Bodily injury by disease - \$500,000 each employee
- c. Commercial General Liability - Occurrence Form
Minimum \$1,000,000 limit - Personal injury/property damage unless checked below:

Coverage A should include premises, operations, products and completed operations, independent contractors, contractual liability covering this agreement or contract, fire legal liability and broad form property damage coverages.

Coverage B should include personal injury and advertising injury.

Coverage C should include medical payments.
- d. Comprehensive Automobile Liability
Minimum limit of \$500,000 - bodily injury and property damage, unless checked below:

Automobile Liability coverage is to include bodily injury and property damage arising out of operation, maintenance or use of any auto, including owned, non-owned and hired automobiles and employee non-ownership use.

- e. Professional Liability (Errors and Omissions) – \$1,000,000

CERTIFICATES OF INSURANCE

Certificates of such insurance are to be provided to Santee Cooper before commencement of any work under this Agreement. Certificates of Insurance shall provide that Santee Cooper shall be notified at least 30 days in advance of cancellation, nonrenewal or adverse change. New Certificates of Insurance are to be provided to Santee Cooper at least 15 days prior to coverage renewals. If required by Santee Cooper, the Firm shall furnish copies of the Firm's insurance policies, forms and endorsements.

Receipt of Certificates or other documentation of insurance or policies or copies of policies by Santee Cooper or any of its representatives which indicate less coverage than required does not constitute a waiver of the Firm's obligation to meet the insurance requirements herein. All insurance contracts shall be countersigned by a resident agent or attorney in fact, and complete address and telephone number shall be provided with certificates.

As respects to general, automotive, and aircraft liability insurance, Santee Cooper shall be an additional insured on the policy. The Certificate of Insurance will indicate Santee Cooper as an additional insured.

As respects to aircraft liability insurance, the Certificate will show specific activity or activities which the Firm will be performing. Certificate will also show as a separate statement that Firm's aircraft liability insurance is the primary insurance as respects any occurrence.

ADDITIONAL REQUIREMENTS

The Firm shall not allow any subcontractor to commence work until the Firm has determined that the subcontractor has met the minimum insurance requirements specified above.

Insurance required of the Firm or any subcontractor shall be considered primary, and insurance of Santee Cooper shall be considered excess, as may be applicable to claims which arise out of the hold harmless, insurance, additional insurance and Certificates of Insurance provisions of this Agreement.

Note that Commercial General Liability is to be based on the occurrence form and not claims made unless otherwise approved in writing by Santee Cooper. Further, Firm's general liability insurance policy shall contain no condition or endorsement that prohibits Santee Cooper as an additional insured from making claim under said policy against Firm as named insured.

All coverage required herein shall be placed with carriers that are acceptable to Santee Cooper, and coverage should be provided by insurance carriers which are licensed (also referred to as admitted) by the State of South Carolina or by insurance carriers which are acceptable as surplus line carriers (also referred to as acceptable non admitted carriers) by the State of South Carolina.

Precautions shall be exercised at all times by the Firm for the protection of all persons, including employees and property. The Firm shall make special effort to detect hazardous conditions and shall take prompt action where loss control safety measures should reasonably be expected.

Coldwell Banker Commercial Caine
Bryan Blackwood, CCIM
P.O. Box 1908
Greenville, SC 29602

Carroll Properties Corporation
Elizabeth C. Belenchia, CCIM
PO Box 2524
10395 Greenville Highway
Spartanburg, SC 29304

Catterton-General, LLC
Gary A Catterton, CCIM
1525 Highway 7
Charleston, SC 29407

Prudential Burroughs and Chapin
Tony K. Cox, CCIM
7421 North Kings Hwy
Myrtle Beach, SC 29572

Sperry Van Ness - Bosley DeMint Realty
Tom DeMint, CCIM
1540 Fording Island Rd., #20B
Hilton Head Island, SC 29926

Finch Enterprises
Henry T. Finch, CCIM
PO. Box 670
Isle Of Palms, SC 29451

barkleyfraser.com
Christopher B. Frazer, CCIM
1483 Tobias Gadson Blvd.
Suite 109
Charleston, SC 29407

Griggs-Floyd & Grantham, Inc./GMAC
James O. Griggs, CCIM
1716 Cherokee Road
Florence, SC 29501

Hammond Tarleton Properties, Inc.
Frank P. Hammond, Jr., CCIM
P.O. Box 6102
Greenville, SC 29606

Leonard Call & Associates, Inc.
Sumter L. Langston, CCIM
3501 North Kings Hwy.
Myrtle Beach, SC 29577

CB Richard Ellis/Columbia
F. McCord Ogburn, SIOR, CCIM
1136 Washington Street
Suite 700
Columbia, SC 29201

Rinehart Realty Corporation
John D. Rinehart, CCIM
1339 Ebenezer Road
Rock Hill, SC 29732

Spencer/Hines Properties
Lynn Spencer, CCIM
Broker-In-Charge
380 S. Pine Street
Spartanburg, SC 29302

Retail & Investment Property Advisors
George E. Wilson, CCIM
635 East Bay Street
Suite F
Charleston, SC 29403

Cobb & Sabbagha Realty
Jackson L. Cobb, CCIM
1126 Pine Croft Dr
West Columbia, SC 29170

Cross Commercial Property, Inc.
Jan B. Cross, CCIM
P.O. Box 10349
Greenville, SC 29603-0349

Colliers Keenan Goldsmith
Brent L. Freeman, CCIM
201 East McBee Ave., Suite 201
P.O. 10825
Greenville, SC 29601

Appraisal Solutions
Kenneth A. Giles, CCIM
216 Mallet Hill Rd
Columbia, SC 29223

Nai Batten & Moore
Charles L. Moore, CCIM
49 Immigration Street Suite 100
P.O. Box 509
Charleston, SC 29402

Prudential Carolina Real Estate
James H. Rowe, CCIM
195 W. Coleman Blvd.
Mount Pleasant, SC 29464

Myrtle Beach Commercial Real Estate
Gerrie F. Watson, CCIM
Broker-in-Charge
1293 Professional Drive Suite D
Myrtle Beach, SC 29577

Coldwell Banker Commercial Seaboard Properties
George J. Wilds, CCIM
720 S. Coit St.
Florence, SC 29501

Coldwell Banker Commercial Chicora Real Estate
Litchfield Office
14792 Ocean Highway
Pawleys Island, SC 29585

H. B. Springs Commercial Real Estate
T. Van Davenport, Managing Partner
PO Box 246
2511 North Oak Street
Myrtle Beach, South Carolina 29478

Carolina Commercial Real Estate, LLC
1304 Azalea Court, Suite D
Myrtle Beach, South Carolina 29577

ILJ Properties
Wendell Furtick
2025A Industrial Dr
Lexington, SC 29072

Strategic Real Estate Advisors
James Robertson
887 Johnnie Dodds Blvd
Mt Pleasant, SC 29464

Colliers and Keenan
John Folsom
PO Box 11610
Columbia, SC 29211

Re/Max Professionals
Steve Tyler
2391-B David Mcleod Blvd
Florence, SC 29501

Exum Auction Company
Joe Exum
521 Crooked Oak Dr
Pawleys Island, SC 29585

Century 21 Grimes & Assoc.
Truitt Owens
PO Box 664
Georgetown, SC 29442

Prudential Real Estate
Kim Wills
900 N Main St
Summerville, SC 29483

Gene Forte Realty
400B Altman Street
Moncks Corner, SC 29461

Coldwell Banker, Pat Williams Realty
230 Plaza Cir
Santee, SC 29142

The Agent Owned Realty Co.
Alfred Kelly
401 S. Mill St
Manning, SC 29102

Century 21, Santee Assoc., South Shore
PO Box 485
Santee, SC 29142

United Country, Southside Realty
Barney Atkinson
12104 Old Hwy 6
Eutawville, SC 29048

Century 21, The Alderman Agency
PO Box 962
Manning, SC 29102

Santee Realty
Hwy 6 East
Santee, SC 29142

Litchfield Company
G. Royce King, Jr.
14240 Ocean Hwy 17
Pawleys Island, SC 29585

John McAllister Realty Consulting
John A. McAllister, Jr.
420 Aiken Hunt Circle
Columbia, SC 29223

Keystone Commercial Realty, LLC
Kal Kassel
PO Box 1126
Pawleys Island, SC 29585

Atlantic Coast Properties
Lindsey Younts
512 Gregg Ave
Aiken, SC 29801

Eastrock Properties
Loren Ziff
1412 Thompson Ave
Sullivan's Island, SC 29482

Waccama Land & Timber
Mark Kelly
4705-A Oleander Dr
Myrtle Beach, SC 29577

Roy Belser
PO Box 1919
Sumter, SC 29151

Century 21
Scott Clark
PO Box 485
Santee, SC 29142

East Coast Realty
Scott Corman
PO Box 664
N. Myrtle Beach, SC 29597

Litchfield Company
Susan Parker
PO Box 97
Pawleys Island, SC 29585

Bryan Bazzle
PO Box 961
Moncks Corner, SC 29461

E. F. Huck & Associates
E. F. Huck (Buddy)
Suite 1, 4710 Oleander Dr
Myrtle Beach, SC 29577

Alline Wheaton
5287 Water View
Charleston, SC 29148

Broad Street Advisors
Robert Rizzi
111 Broadway, 11th Floor
New York, NY 10006

Policy Position
Sale of Property

Property Committee

September 23, 1985

Adopted ☒

Rejected ☐

Postponed ☐

PROCEDURE FOR SALE OR DISPOSITION OF SURPLUS REAL ESTATE

Upon a determination by the Board of Directors that parcels or portions of land are no longer required and, therefore, declared surplus to the need of the Authority, the Property Management Division may proceed with the sale or disposition of the property by first acquiring one or more appraisals of the property. The Property Management Division shall offer the property for sale by advertising for competitive bids in local newspapers and providing bid information to any prospective bidders. Signs may also be placed on the property making known its availability. Bids shall be received on a sealed basis and properties shall not be sold below their appraised value. The Authority shall retain the right to reject any and all bids. Sealed bids, public advertisements and appraisals will not be required for properties with limited values. The Board of Directors may waive any or all provisions of this procedure when deemed most advantageous to and in the best interest of the Authority and/or the public.

*Executive Corporate Planning Committee
December 15, 2003

Adopted ✓

Rejected

Postponed

RESOLUTION

WHEREAS, the South Carolina Public Service Authority (Santee Cooper) is a body corporate and politic created by Act of the South Carolina General Assembly in 1934 codified in S.C. Code Ann. §58-31-10 et seq., as amended; and

WHEREAS, Santee Cooper is authorized thereby to generate, transmit and distribute electricity and to treat and sell potable water at wholesale; and

WHEREAS, Santee Cooper is as a matter of law a self-sustaining, self-liquidating entity which does not derive appropriations from the State of South Carolina for its operations; and

WHEREAS, Santee Cooper finances its operations from revenues from the sale of electricity and water and from the issuance of indebtedness consisting of bonds and notes guaranteed by a pledge of Santee Cooper's revenues; and

WHEREAS, pursuant to S.C. Code Ann. §58-31-110, Santee Cooper's Board of Directors is authorized to pay over semi-annually to the State Treasurer "... any and all net earnings thereof not necessary or desirable for the prudent conduct and operation of its business ..."; and

WHEREAS, Santee Cooper's Board of Directors has complied with the provisions of the above referenced statute, specifically determining each year since 1989 that one (1%) percent of its gross operating revenues is a lawful and appropriate payment to the State of South Carolina; and

WHEREAS, based on Santee Cooper's payment to the state policy and practice, the financial community has purchased Santee Cooper's indebtedness and with other considerations rated Santee Cooper's bonds Aa2 by Moody's, AA by Fitch and AA- by Standard and Poor's respectively; and

WHEREAS, in recent years the state government of South Carolina has experienced substantial budget difficulties and multi-million dollar revenue shortfalls; and

WHEREAS, the Board of Directors of Santee Cooper, being mindful that the people of South Carolina are one of Santee Cooper's constituent groups, has determined that Santee Cooper is the owner of certain real properties in South Carolina which are vacant and surplus to Santee Cooper's future operating needs and the same could be sold and the proceeds derived from the sale thereof appropriately paid over to the State of South Carolina as a one-time contribution; and

WHEREAS, the real properties shown on Exhibit "A" are deemed by the Board of Directors to be surplus to the future operating needs of Santee Cooper; and

WHEREAS, recognizing the immediacy of the State's budget crisis and pending the actual sale of said surplus properties on Exhibit "A", the Board of Directors finds it to be in the corporate interests of Santee Cooper and in the public's interest to pay over to the State of South Carolina by contribution an advance of funds in the amount of \$13,000,000.00; and

WHEREAS, the Board of Directors finds that the one-time contribution authorized hereby should be payable in two (2) equal payments of \$6,500,000.00 each and tendered not later than July 15, 2004 and not later than January 15, 2005 respectively; and

WHEREAS, the Board of Directors further finds that its contribution dollars should be allocated and apportioned to the State of South Carolina as follows:

- Department of Commerce CAP Fund, \$2,500,000.00
- Technical Board, Pathways To Prosperity, \$1,000,000.00
- Parks, Recreation and Tourism, Advertising and Promotion of the State,, \$4,000,000.00
- Department of Education, Base Student Cost, \$2,750,000.00
- Department of Health and Human Services Medicaid, \$2,750,000.00

WHEREAS, in executing its discretion and judgment to make a contribution to the State of South Carolina as provided herein, the Board of Directors specifically and expressly confirms and affirms the standing policy and practice of paying over to the State of South Carolina one (1%) percent of its gross operating revenues pursuant to S.C. Code Ann. §58-31-110 and declares the \$13,000,000.00 to be a separate, one-time contribution only.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Santee Cooper hereby declares certain real properties, more particularly described and identified on Exhibit "A" attached hereto and made a part hereof by reference, to be surplus to the future needs of Santee Cooper; and

BE IT FURTHER RESOLVED that the Property Management Division is hereby authorized in the ordinary course to sell and dispose of said properties in accordance with its customary practices in order to maximize the return to Santee Cooper; and

BE IT FURTHER RESOLVED that pending the disposition of said properties, the Treasurer of Santee Cooper is authorized to arrange for payment and to pay the Treasurer of South Carolina or an agency designated herein \$6,500,000.00 not later than July 15, 2004 and \$6,500,000.00 not later than January 15, 2005, for a total of \$13,000,000.00 from an account or accounts or borrowings in accordance with the purposes, uses and allocations as outlined herein; and

BE IT FURTHER RESOLVED that the Property Management Division is directed to apply the proceeds of sale of said properties to reimburse the Treasurer of Santee Cooper for the payments authorized herein; and

BE IT FURTHER RESOLVED that the Resolution of the Board of Directors dated November 24, 2003 relative to supplemental payments for the benefit of the State is hereby rescinded.

- * If approved by committee, this resolution will be referred to the full Board for approval. This resolution was referred to and approved by the full Board.

VACANT LANDS

DESCRIPTION/LOCATION	ACRES	COUNTY
Substation Site	0.87	Berkeley
Vacant Lot - Hanahan	0.14	Berkeley
Proposed Litchfield Office	31.00	Georgetown
Abandoned Right-Of-Way (Little River)	2.65	Horry
Abandoned Substation (Clear Pond)	1.00	Horry
Abandoned Substation (Ocean Forest)	1.00	Horry

NON-PROJECT LAND FORESTED UNDEVELOPED

DESCRIPTION/LOCATION	ACRES	COUNTY
Adjacent to Miller Property	8.00	Orangeburg
Adjacent to Fountain Lake/Belvedere	324.00	Orangeburg
White Oak I Area	86.00	Clarendon
Rowland-Area	80.00	Clarendon
Adjacent to Log Jam	13.00	Clarendon
Gin Pond Area	20.00	Clarendon
Adjacent to WB Davis/Taw Caw	69.00	Clarendon
Hickory Top	20.00	Clarendon
Bird Nest	27.00	Clarendon

NON-PROJECT LAND RESIDENTIAL UNDEVELOPED

DESCRIPTION/LOCATION	ACRES	COUNTY
Adjacent to Carson	43.00	Calhoun
Adjacent High Hill	3.00	Calhoun
Griffith Area	21.00	Calhoun
Poplar Creek Area	83.00	Calhoun
Adjacent Miller Property	13.00	Orangeburg
Adjacent Mill Creek	85.00	Orangeburg
Adjacent Mill Creek	22.00	Orangeburg
Back of Pine Bluff	6.00	Orangeburg
Adjacent St. Julien	4.00	Orangeburg
West Dike 2	41.00	Berkeley
Church Branch 2	13.00	Clarendon
Church Branch 3	7.00	Clarendon
Birch Branch	2.00	Clarendon
Dean Swamp 1	4.00	Clarendon
Dean Swamp 2	4.00	Clarendon
Adjacent Lizzie Branch	3.00	Clarendon
McVey Cove Area	17.00	Clarendon
Jacks Creek	41.00	Clarendon

MEETING OF THE PROPERTY COMMITTEE
THE MADREN CENTER – EXECUTIVE BOARD ROOM
CLEMSON, SOUTH CAROLINA
SUNDAY, MARCH 21, 2004 - 5:00 P.M.

Committee Members Present: Directors Richard H. Coen, Clarence Davis, J. Calhoun Land, IV, and Board Chairman T. Graham Edwards, ex officio

Committee Members Absent: Chairman G. Dial DuBose and Director Guerry E. Green

Other Directors Present: Patrick T. Allen, Paul G. Campbell, Jr., Vernie E. Dove, Sr., Keith D. Munson, and James W. Sanders, Sr.

Staff Members Present: Lonnie N. Carter, President and Chief Executive Officer; Bill McCall, Jr., Executive Vice President and Chief Operating Officer; John S. West, Executive Vice President and Chief Legal Officer; Elaine G. Peterson, Senior Vice President, Administration and Finance; Wm. Glen Brown, Jr., Corporate Secretary; G. Denton Lindsay, Manager, Property Management; Richard S. Kizer, Director, Governmental Relations; W. David Ensor, Supervisor, Operations; and Pamela M. Gaskins, Assistant Corporate Secretary

Also in attendance was Mr. Dwight A. Holder, former Chairman of Santee Cooper's Board of Directors.

On Monday, March 15, 2004, news media, persons, and organizations requesting notification of all public meetings were mailed agendas including the time, date, and location of the meeting.

Chairman Edwards presided, and Ms. Gaskins kept the minutes.

Upon motion by Director Davis, seconded by Director Land, the Committee voted unanimously to waive reading of the minutes of the September 22, 2003, meeting of the Property Committee and adopted the minutes as submitted.

Mr. West presented a land sale proposal (Exhibit PC 3-1-04) for the disposition of certain surplus properties, from which the proceeds will reimburse Santee Cooper for its one-time supplemental payment to the State of South Carolina. The Property Management Division proposes to sell the surplus properties in three phases. Phase One (Vacant Lands) includes six (6) parcels located in Santee Cooper's service area ranging in size from 0.14 acres to 31 acres. These lands will include abandoned substation sites, transmission line rights-of-way, and office sites. Phase One is estimated to be complete by December 31, 2004. Phase Two (Non-Project Residential Undeveloped Lands) will include eighteen (18) parcels ranging in size from 2 acres to 85 acres. These properties are adjacent to residential properties located in the project. Phase Two is estimated to be complete by September 2005. Phase Three (Non-Project Forested Undeveloped Lands) will include nine (9) parcels ranging in size from 8 acres to 324 acres. These properties are adjacent to forest management lands located in the project. Phase Three is estimated to be complete by September 2006. Mr. West explained that these tracts will be offered on a competitive sealed bid basis, with the minimum bid price being established by the appraised value plus survey and appraisal costs. These properties will be advertised in local papers and on the Internet, as well as appropriate signage being placed on each parcel. He stated that progress reports on these sales will be periodically presented to the Board. He distributed a sample bid information packet (Exhibit PC 3-2-04).

There was discussion regarding the selection process for appraisers and surveyors. No action was required by the Board.

Mr. Holder entered the meeting during Mr. West's presentation.

Mr. Lindsay reported that the Berkeley County Water and Sanitation Authority (BCWSA) has made a request to purchase 0.74 acres of land adjacent to Highway 6 in Berkeley County for the purpose of installing an elevated water storage tower. He said this parcel, with the exception of the 50' access easement, is no longer needed by Santee Cooper. He stated that management recommends that this 0.74 acre parcel be conveyed to the BCWSA for the appraised amount of \$9,000 and that the 50' access easement be retained as a condition of the sale.

Following discussion and upon motion by Director Land, seconded by Director Coen, the Committee unanimously voted to recommend to the full Board for approval the attached resolution entitled "Sale of 0.74 Acres to Berkeley County Water and Sanitation Authority on Ranger Drive in Cross, South Carolina, Berkeley County" (Exhibit PC 3-3-04).

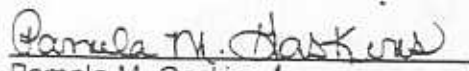
Mr. Lindsay reported that in 2000, Santee Cooper purchased 20.21 acres from Bowater Incorporated for a proposed radio tower site in Laurens County. In 2002 Santee Cooper conveyed 2.06 acres of this tower site property to the South Carolina Department of Transportation (SCDOT) to facilitate the widening of S.C. Highway 72. He stated the SCDOT has requested to purchase an additional 2.218 acres of this parcel. He said this 2.218 acre parcel is not needed by the Authority, and that management recommends that this parcel be sold to the SCDOT for the sum of \$22,180, which exceeds its appraised value.


Following discussion and upon motion by Director Davis, seconded by Director Land, the Committee unanimously voted to recommend to the full Board for approval the attached resolution entitled "Sale of Property - 2.218 Acres, SC Department of Transportation Proposed Widening of Hwy. SC-72, Laurens County" (Exhibit PC 3-4-04).

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,

APPROVED:


Pamela M. Gaskins
Assistant Corporate Secretary


T. Graham Edwards
Board Chairman, ex-officio

SALE OF 0.74 ACRES TO BERKELEY
COUNTY WATER AND SANITATION
AUTHORITY ON RANGER DRIVE IN
CROSS, S.C, BERKELEY COUNTY

PROPERTY COMMITTEE

*March 22, 2004

Adopted ✓

Rejected

Postponed

RESOLUTION

WHEREAS, the Berkeley County Water and Sanitation Authority has made a request to purchase 0.74 acres of land adjacent to Highway 6, Berkeley County, for the purpose of installing an elevated water storage tower; and

WHEREAS, the Berkeley County Water and Sanitation Authority has surveyed and prepared a plat of the 0.74 acres and had the property appraised; and

WHEREAS, the 0.74 acre parcel, with the exception of the 50' access easement, is no longer needed by the Authority and the Board of Directors has determined that the parcel is surplus to the needs of the Authority; and

WHEREAS, the appraised value of the 0.74 acre parcel is \$9,000.00.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby authorizes the Property Management Division to convey the 0.74 acre parcel to the Berkeley County Water and Sanitation Authority for the amount of \$9,000.00 and retain a perpetual easement by separate instrument for the 50' access as shown on the plat as a condition of the sale.

*If approved by Committee, this Resolution will be referred to the full Board for approval.

This resolution was referred to and approved by the full Board.

SALE OF PROPERTY - 2.218 ACRES
SC DEPT OF TRANSPORTATION
PROPOSED WIDENING OF HWY SC-72
LAURENS COUNTY

PROPERTY COMMITTEE

*March 22, 2004

Adopted ✓

Rejected

Postponed

RESOLUTION

WHEREAS, the Authority purchased 20.21 acres from Bowater Incorporated on September 14, 2000, for a proposed radio tower site in Laurens County; and

WHEREAS, by Resolution dated August 26, 2002, the Authority conveyed 2.06 acres of the tower site properties to the South Carolina Department of Transportation (SCDOT) to facilitate the widening of S.C. Highway 72; and

WHEREAS, the SCDOT has requested the Authority to convey an additional 2.218 acres of the proposed radio tower site; and

WHEREAS, the 2.218 acre parcel is not needed by the Authority and the Board has determined that the parcel is surplus to the needs of the Authority; and

WHEREAS, SCDOT and the Authority's Property Management Division have agreed, subject to Board approval, to a purchase price of \$22,180.00 which exceeds its appraised value.

NOW, THEREFORE, BE IT RESOLVED that the Property Management Division is hereby authorized to sell the 2.218 acre parcel to SCDOT for the sum of \$22,180.00.

*If approved by Committee, this resolution will be referred to the full Board for approval.
This resolution was referred to and approved by the full Board.



Property Management Division

One Riverwood Drive
Moncks Corner, SC 29461-2901
(843) 761-4068
Fax: (843) 761-4003
P.O. Box 2946101
Moncks Corner, SC 29461-6101

July 26, 2004

Dear Sir/Madam,

Enclosed please find a bid packet for vacant land offered for sale by Santee Cooper in Berkeley, Georgetown, and Horry Counties. Santee Cooper will be accepting sealed bids until 2:00 p.m., September 1, 2004.

Please review the material and contact our Property Management office if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read 'G. Denton Lindsay'.

G. Denton Lindsay
Manager
Property Management
Division

TELEPHONIC MEETING OF THE BOARD OF DIRECTORS
MONCK'S CORNER COMPLEX – BOARD ROOM
MONCK'S CORNER, SOUTH CAROLINA
MONDAY, AUGUST 2, 2004 – 2:30 P.M.

SPECIAL SESSION

Directors Present: Chairman T. Graham Edwards, Directors Patrick T. Allen, Richard H. Coen, Clarence Davis, Vernie E. Dove, Sr., Guerry E. Green, J. Calhoun Land, IV, Keith D. Munson, and James W. Sanders

Directors Absent: Paul G. Campbell, Jr. and G. Dial DuBose

Others Present: Lonnie N. Carter, President and Chief Executive Officer; Elaine G. Peterson, Executive Vice President and Chief Financial Officer; John S. West, Executive Vice President and Chief Legal Officer; H. Roderick Murchison, Treasurer; Nan D. Cline, Financial Analyst III; and Pamela M. Gaskins, Assistant Corporate Secretary

Also present were Paul Trouche, Bond Counsel, and John Daniel and Patrick Scott of Lehman Brothers.

On Friday, July 30, 2004, news media, persons, and organizations requesting notification of all public meetings received an agenda including the time, date, and location of the meeting by facsimile.

Chairman Edwards called the meeting to order. He presided and Ms. Gaskins kept the minutes.

Ms. Gaskins conducted the roll call. Directors' attendance is indicated above.

Ms. Peterson, Mr. Murchison, Ms. Cline, and Ms. Gaskins participated at the Santee Cooper headquarters in Moncks Corner.

Chairman Edwards, Director Allen, Director Coen, Director Davis, Director Dove, Director Green, Director Land, Director Munson, Director Sanders, Mr. Carter, Mr. West, Mr. Singletary, Mr. Trouche, Mr. Scott and Mr. Daniel participated via telephone conference call.

Chairman Edwards and Mr. Carter expressed their appreciation for the efforts of management and others in conducting a successful mini-bond program.

Ms. Peterson stated that the tax-free mini-bonds were the first to have been offered by Santee Cooper since 1993. The proceeds for the sale will be used to fund portions of Santee Cooper's ongoing capital improvement program. She reported the total number of orders for the Capital Appreciation Mini-Bonds and the Current Interest Bearing Mini-Bonds was 3,680, with the average order reaching approximately \$7,587.93 and a grand total of \$27,933,600. The resolution states an amount not to exceed \$28,121,000 to allow for reconciliation with the trustee. The actual amount will be finalized at closing. Rates on the bonds ranged from 4.25 percent on the 2015 maturity to 5 percent on the 2024 maturity.

Mr. Trouche reviewed in detail the Eighth Series and Supplemental Resolution authorizing the issuance of Revenue Obligations, 2004 Series M Bonds.

With recommendation for the adoption of the transaction by management and the Financial Advisor, and upon motion by Director Green, seconded by Director Coen, the Board unanimously adopted the resolution, a full copy of which is attached (Exhibit SMB 8-1-04).

Mr. Daniel, Mr. Scott, Ms. Peterson, Mr. Murchison, Ms. Cline and Ms. Gaskins left the meeting.

Chairman Edwards briefly reported on the progress with regard to the Central/Santee Cooper planning meetings and advised that a full report would be given at the August monthly Board meeting.

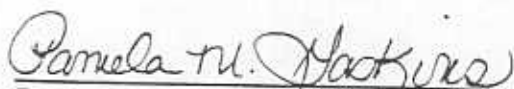
There was discussion regarding property sales and a request for a full report to the Property Committee in August.

Concerns were expressed by some of the board members with regard to communication of information between management and the Board, and a desire to be kept better informed. Mr. Carter agreed to set aside time at the August Board meeting to discuss communications.

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,

APPROVED:


Pamela M. Gaskins
Assistant Corporate Secretary


T. Graham Edwards
Chairman

EIGHTH SERIES AND SUPPLEMENTAL RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTH CAROLINA PUBLIC SERVICE AUTHORITY SUPPLEMENTING A RESOLUTION OF THE SAID BOARD OF DIRECTORS ADOPTED APRIL 26, 1999 ENTITLED: "RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTH CAROLINA PUBLIC SERVICE AUTHORITY ESTABLISHING THE GENERAL TERMS AND CONDITIONS UPON WHICH ITS REVENUE OBLIGATIONS MAY BE ISSUED FOR CORPORATE PURPOSES OF THE AUTHORITY." AND AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$28,121,000 SOUTH CAROLINA PUBLIC SERVICE AUTHORITY REVENUE OBLIGATIONS, 2004 SERIES M, PURSUANT AND SUBJECT TO THE TERMS, CONDITIONS AND LIMITATIONS OF THE SAID RESOLUTION

WHEREAS, South Carolina Public Service Authority by a resolution (the "Master Resolution") of its Board of Directors (the "Board") adopted April 26, 1999 entitled "RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTH CAROLINA PUBLIC SERVICE AUTHORITY ESTABLISHING THE GENERAL TERMS AND CONDITIONS UPON WHICH ITS REVENUE OBLIGATIONS MAY BE ISSUED FOR CORPORATE PURPOSES OF THE AUTHORITY." (such Master Resolution, as amended and supplemented from time to time and, unless the context shall clearly indicate otherwise, including all Series Resolutions and Supplemental Resolutions, being hereinafter called the "Resolution") created and established an issue of obligations of the Authority unlimited in amount to be known and designated as "South Carolina Public Service Authority Revenue Obligations," for any corporate purposes of the Authority; and

WHEREAS, Obligations may be issued in series pursuant to and subject to the terms, conditions and limitations of the Resolution in such amounts and from time to time as may be determined by the Authority; and

WHEREAS, the Resolution provides that each series of Obligations shall be authorized by a Series Resolution of the Authority; and

WHEREAS, the Authority has now determined that it is in the interest of the public to provide for the issuance of the not exceeding \$28,121,000 South Carolina Public Service Authority Revenue Obligations, 2004 Series M, hereinafter described and authorized for the purpose of funding a portion of the costs, including costs of issuance, of the Project hereinafter defined.

NOW, THEREFORE, BE IT RESOLVED by the Board in meeting duly assembled, as follows:

ARTICLE I
DEFINITIONS; FINDINGS
AND DETERMINATIONS

Section 1.01 Definitions.

Unless the context shall clearly indicate otherwise, the terms used in this 2004 Series M Resolution, including the preambles and appendices hereto, which are defined in the Resolution shall have the meanings set forth therein.

As used in this 2004 Series M Resolution, including the preambles and appendices hereto, unless the context shall clearly indicate otherwise, the following words and phrases shall have the meanings hereinafter set forth:

- (a) "Accreted Value" shall mean with respect to any Capital Appreciation Bond on any calculation date an amount equal to the original principal amount of such Capital Appreciation Bond plus the amount, assuming semi-annual compounding of earnings, which would be produced on the investment of such original principal amount, beginning on the dated date of such Capital Appreciation Bond and ending on the calculation date, at a yield equal to the stated yield to maturity on such Capital Appreciation Bond.
- (b) "Capital Appreciation Bonds" shall mean the 2004 M Bonds maturing January 1, 2016 and January 1, 2024.
- (c) "Code" shall mean the Internal Revenue Code of 1986, as amended.
- (d) "Current Interest Bearing Bonds" shall mean the 2004 M Bonds maturing January 1, 2015 and January 1, 2023.
- (e) "Paying Agent" shall mean The Bank of New York Trust Company, N.A., acting as Paying Agent for the 2004 M Bonds.
- (f) "Project" shall mean general improvements to the System, including improvements to existing and future power supply facilities, extensions of and improvements to transmission and distribution facilities, environmental compliance, and other improvements to general facilities.
- (g) "2004 M Bonds" shall mean the Obligations described as not exceeding \$28,121,000 South Carolina Public Service Authority Revenue Obligations, 2004 Series M, authorized by this 2004 Series M Resolution to be issued pursuant to and subject to the terms, conditions and limitations of the Resolution.
- (h) "2004 Series M Resolution" shall mean this Eighth Series and Supplemental Resolution.

Section 1.02 Findings and Determinations.

The Authority hereby finds and determines that the Authority is not in default under any provisions of the Resolution, the Revenue Bond Resolution, or the Indenture.

ARTICLE II
AUTHORIZATION, TERMS AND PAYMENT
PROVISIONS FOR 2004 M BONDS

Section 2.01 Authorization of 2004 M Bonds.

(a) Pursuant to the Enabling Act, in order to defray a portion of the costs, including costs of issuance, of the Project, there shall be issued at the present time Obligations to be designated as South Carolina Public Service Authority Revenue Obligations, 2004 Series M, in the aggregate original principal amount of not exceeding \$28,121,000. The 2004 M Bonds shall be dated August 2, 2004 and shall be issued in fully registered form.

The Treasurer of the Authority is hereby authorized to establish, as a ministerial function and within the parameters herein set forth, the exact amount of Current Interest Bearing Bonds and Capital Appreciation Bonds to be issued hereunder.

The Current Interest Bearing Bonds shall be issued in the denominations of five hundred (\$500) dollars or any integral multiple thereof and shall bear interest payable on January 1 and July 1 of each year commencing January 1, 2005, at which time 149 days interest will be due. The Current Interest Bearing Bonds will mature on January 1 in the years 2015 and 2023 in the aggregate principal amounts of not exceeding \$13,155,000 and not exceeding \$6,740,000, respectively. The Current Interest Bearing Bonds maturing on January 1, 2015 will bear interest from their dated date at the rate of 4.25% per annum. The Current Interest Bearing Bonds maturing on January 1, 2023 will bear interest from their dated date at the rate of 4.90% per annum. The Treasurer of the Authority is hereby authorized to establish, as a ministerial function and within the parameters herein set forth, the exact amount of Current Interest Bearing Bonds maturing on each maturity date.

The Capital Appreciation Bonds shall be issued in the denominations of two hundred (\$200) dollars original principal amount or any integral multiple thereof, and interest thereon as aforesaid shall be compounded on January 1, 2005 and semi-annually thereafter on July 1 and January 1 of each year until maturity. Interest on Capital Appreciation Bonds is payable only on maturity, acceleration, redemption or upon purchase following tender. Capital Appreciation Bonds in the original principal amount of not exceeding \$4,865,000 and not exceeding \$3,361,000, respectively, shall mature on January 1 in the years 2016 and 2024, respectively. The Capital Appreciation Bonds maturing on January 1, 2016 will bear interest from their dated date at a rate producing a stated yield to maturity of 4.375% per annum. The Capital Appreciation Bonds maturing on January 1, 2024 will bear interest from their dated date at a rate producing a stated yield to maturity of 5.00% per annum. The Treasurer of the Authority is hereby authorized

to establish, as a ministerial function and within the parameters herein set forth, the exact original principal amount of Capital Appreciation Bonds maturing on each maturity date.

Section 2.02 Payment of 2004 M Bonds.

The principal of the Current Interest Bearing Bonds and the Accreted Value of the Capital Appreciation Bonds shall be payable in legal tender upon presentment and surrender thereof at the office of The Bank of New York Trust Company, N.A., which is hereby appointed as Paying Agent, in the City of New York, New York. Interest on the Current Interest Bearing Bonds shall be paid by the Paying Agent on each January 1 and July 1 beginning January 1, 2005, to the person whose name appears on the registration books kept by the Registrar as the registered owner thereof as of the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date, by check or draft drawn upon the Trustee and mailed to such registered owner at his address as it appears on such books.

Section 2.03 Optional Redemption of 2004 M Bonds.

Current Interest Bearing Bonds shall be subject to redemption prior to maturity, at the option of the Authority, on and after January 1, 2005 upon not less than 30 days written notice, as a whole at any time, or in part from time to time on any Interest Payment Date (and, in the event that less than all of the Current Interest Bearing Bonds are called for redemption, the particular Current Interest Bearing Bonds to be redeemed shall be selected by lot by the Trustee, but only in integral multiples of \$500 denominations) in any order of maturity to be determined by the Authority, at the redemption price of 100% of the principal amount of each Current Interest Bearing Bond to be redeemed, together with the interest accrued thereon to the date fixed for redemption.

Capital Appreciation Bonds shall be subject to redemption prior to maturity, at the option of the Authority, on and after January 1, 2005, upon not less than 30 days written notice, as a whole at any time, or in part from time to time on any January 1 or July 1 (and, in the event that less than all of the Capital Appreciation Bonds are called for redemption, the particular Capital Appreciation Bonds to be redeemed shall be selected by lot by the Trustee, but only in integral multiples of \$200 original principal amount) in any order of maturity to be determined by the Authority, at a redemption price equal to the Accreted Value on the redemption date of each Capital Appreciation Bond to be redeemed.

Section 2.04 Sale of 2004 M Bonds.

The 2004 M Bonds shall be sold at par and at such price shall be offered and sold only to residents of the State of South Carolina, customers and employees of the Authority, members and employees of electric cooperatives organized and existing under the laws of the State of South Carolina, and electric customers of the City of Bamberg, South Carolina, and the City of Georgetown, South Carolina. The maximum amount of 2004 M Bonds, as measured by the original purchase price thereof, which may be initially purchased by any one investor shall be \$10,000. The President and Chief Executive Officer of the Authority is hereby authorized and

directed to proceed with the sale of the 2004 M Bonds in accordance with the provisions of the Resolution, including this 2004 Series M Resolution.

Section 2.05 Purchase of 2004 M Bonds by Authority Upon Tender.

(a) Subject to the provisions of subsection (c) of this Section 2.05, on or after January 15, 2005 any Current Interest Bearing Bond (or portion thereof in authorized denomination) will be purchased by the Authority, on the demand of the registered owner thereof, on the fifteenth day of the first or (at the election of the Authority) second month next succeeding the date of delivery of the written notice to the Authority referred to in subparagraph (1) below (the "Purchase Date") or, if such Purchase Date is not a business day, on the next succeeding business day, at a purchase price equal to the principal amount thereof (less a fee of \$15 per \$500 principal amount to be purchased), plus accrued interest to the Purchase Date upon:

(1) delivery to the Authority of not less than 30 days written notice which states (A) the CUSIP number, face amount, maturity date and series designation of the Current Interest Bearing Bond to be purchased, and (B) the portion of the principal amount of such Current Interest Bearing Bond to be purchased (provided that such portion shall be an integral multiple of \$500); and

(2) delivery of such Current Interest Bearing Bond, properly endorsed with signature guaranteed, to the Authority, prior to 5:00 p.m. South Carolina time, five business days prior to the date such Current Interest Bearing Bond is to be purchased; provided, however, that such Current Interest Bearing Bond shall be purchased only if such Current Interest Bearing Bond delivered to the Authority conforms in all respects to the description in the written notice.

(b) Subject to the provisions of subsection (c) of this Section 2.05, on or after January 15, 2005 any Capital Appreciation Bond (or portion thereof in authorized denomination) will be purchased by the Authority, on the demand of the registered owner thereof, on the fifteenth day of the first or (at the election of the Authority) second month next succeeding the date of delivery of the written notice to the Authority referred to in subparagraph (1) below (the "Purchase Date") or, if such Purchase Date is not a business day, on the next succeeding business day, at 100% of the Accreted Value thereof on the Purchase Date less a fee of \$6.00 per \$200 original principal amount to be purchased, upon:

(1) delivery to the Authority of not less than 30 days written notice which states (A) the CUSIP number, original principal amount, maturity date and series designation of the Capital Appreciation Bond to be purchased, and (B) the portion of the original principal amount of such Capital Appreciation Bond to be purchased (provided that such portion shall be an integral multiple of \$200); and

(2) delivery of such Capital Appreciation Bond, properly endorsed with signature guaranteed, to the Authority, prior to 5:00 p.m. South Carolina time, five business days prior to the date such Capital Appreciation Bond is to be purchased; provided, however,

that such Capital Appreciation Bond shall be purchased only if such Capital Appreciation Bond delivered to the Authority conforms in all respects to the description in the written notice.

(c) Notwithstanding any other provisions of this Section 2.05, if the aggregate original principal amount of 2004 M Bonds tendered by the registered owners thereof for mandatory purchase by the Authority exceeds in any calendar year an amount (the "Purchase Ceiling") equal to five per centum (5%) of the aggregate original principal amount of 2004 M Bonds, the Authority shall have no obligation to purchase upon tender any such 2004 M Bonds in excess of the Purchase Ceiling. The determination of which 2004 M Bonds tendered for mandatory purchase by the Authority exceed the Purchase Ceiling shall be made on the basis of the order of receipt by the Authority of redemption requests pursuant to subsections (a) (1) and (b)(1) of this Section 2.05. Any 2004 M Bonds tendered for mandatory purchase pursuant to this Section 2.05 which are not purchased by the Authority because they exceed the Purchase Ceiling shall be promptly returned by the Authority to the registered owners thereof.

Section 2.06 Selection of 2004 M Bonds for Redemption: Notice of Redemption.

Whenever less than all of the Outstanding 2004 M Bonds of a maturity are to be redeemed on any one date, the Trustee shall select the 2004 M Bonds to be redeemed from the Outstanding 2004 M Bonds of such maturity by lot, in any manner the Trustee deems fair. Notice of any redemption shall be given as provided in Section 4.3 of the Resolution.

Any notice of optional redemption of 2004 M Bonds may state that it is conditioned upon receipt by the Trustee of moneys sufficient to pay the redemption price of such 2004 M Bonds or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Trustee to affected owners of 2004 M Bonds as promptly as practical upon the failure of such condition or the occurrence of such event.

Section 2.07 Execution and Form of 2004 M Bonds.

The 2004 M Bonds shall be executed and authenticated in the manner provided in the Resolution.

CUSIP identification numbers may be printed on the 2004 M Bonds, but such numbers shall not be deemed to be a part of the 2004 M Bonds or a part of the contract evidenced thereby and no liability shall hereafter attach to the Authority or any of the officers or agents thereof because of or on account of such CUSIP identification numbers.

The Current Interest Bearing Bonds and Capital Appreciation Bonds shall be substantially in the forms attached hereto as Exhibits A and B, respectively, and shall be with such modifications, combinations, variations, additions and deletions as may be necessary or advisable to

reflect the details and purpose of the issuance of the 2004 M Bonds, the provisions of the Resolution and this 2004 Series M Resolution or otherwise required or permitted by the provisions of the Resolution.

ARTICLE III DISPOSITION OF PROCEEDS

Section 3.01 Disposition of Proceeds of 2004 M Bonds.

The proceeds from the sale of the 2004 M Bonds shall be paid into the Authority's General Improvement Fund or appropriate project construction funds to be used for corporate purposes of the Authority.

It shall at all times be lawful to invest proceeds of the 2004 M Bonds in Investment Securities.

ARTICLE IV MISCELLANEOUS PROVISIONS

Section 4.01 Tax Covenant

The Authority covenants and agrees that it shall not take or omit to take any action which would cause interest on any 2004 M Bond to be included in the gross income of any Owner thereof for federal income tax purposes by reason of subsection (b) of Section 103 of the Code, as in effect as of the date of initial issuance and delivery of the 2004 M Bonds. Without limiting the generality of the foregoing, no part of the proceeds of any 2004 M Bonds or any other funds of the Authority shall be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any 2004 M Bond to be an "arbitrage bond" as defined in Section 148 of the Code and to be subject to treatment under subsection (b)(2) of Section 103 of the Code as an obligation not described in subsection (a) of said section.

The Treasurer of the Authority is authorized to execute and deliver for and on behalf of the Authority, upon the initial issuance of the 2004 M Bonds and thereafter, representations, statements of intention and reasonable expectations and certifications of fact in furtherance of this covenant.

Section 4.02 The 2004 M Bonds Are "Obligations" Under the Resolution.

This 2004 Series M Resolution is adopted pursuant to Article II of the Resolution, and the 2004 M Bonds are hereby found and determined to be "Obligations" as such term is defined and used in the Resolution.

Section 4.03 Official Statement.

The execution and delivery to the purchasers of the 2004 M Bonds by the President and Chief Executive Officer of the Authority of the Official Statement in connection with the 2004 M

Bonds (the "Official Statement") is hereby authorized and confirmed, and the Board hereby authorizes such Official Statement and the information contained therein to be used in connection with the sale of the 2004 M Bonds.

Section 4.04 Preliminary Official Statement: Ratification of Action.

The form and content of the Preliminary Official Statement dated July 7, 2004, and the distribution thereof, the distribution of the Official Statement, and all actions and proceedings heretofore taken by the Board and the agents, attorneys and employees of the Authority in connection with the qualification, issuance and sale of the 2004 M Bonds are hereby ratified and confirmed.

Section 4.05 Execution of Closing Documents and Certificates.

The President and Chief Executive Officer, any Executive Vice President or Senior Vice President, the Corporate Secretary, and the Treasurer are fully authorized and empowered to take such further action and to execute and deliver such closing documents and certificates as may be necessary and proper in order to complete the issuance of the 2004 M Bonds herein authorized, and the action of such officers or any one or more of them in executing and delivering any of such documents, in such form as he or they shall approve, is hereby fully authorized.

Section 4.06 Continuing Disclosure.

The Authority covenants that it will file with a central repository for availability in the secondary bond market when requested:

- (a) an annual independent audit, within thirty (30) days of the Authority's receipt of the audit; and
- (b) event specific information, within thirty (30) days of an event adversely affecting more than five percent (5%) of the Authority's revenue.

Section 4.07 Severability.

If any one or more of the covenants or agreements provided in this 2004 Series M Resolution on the part of the Authority to be performed shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, or agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this 2004 Series M Resolution or of the 2004 M Bonds authorized and issued hereunder.

Section 4.08 Effective Date of 2004 Series M Resolution.

This 2004 Series M Resolution shall become effective in accordance with its terms upon filing with the Trustee a certified copy hereof and an opinion of counsel for the Authority that it has

been duly adopted and the provisions thereof are valid and binding upon the Authority.

Section 4.09 Section Headings.

The headings or titles of the several sections hereof shall be solely for the convenience of reference and shall not affect the meaning or construction, interpretation or effect of this 2004 Series M Resolution.

MEETING OF THE PROPERTY COMMITTEE
WAMPEE CONFERENCE AND TRAINING CENTER
PINOPOLIS, SOUTH CAROLINA
MONDAY, AUGUST 23, 2004 - 1:15 P.M.

Committee Members Present: Chairman G. Dial DuBose, Directors Richard H. Coen, Guerry E. Green, J. Calhoun Land, IV, and Board Chairman T. Graham Edwards, ex officio

Committee Members Absent: Clarence Davis

Other Directors Present: Patrick T. Allen, Paul G. Campbell, Jr., and Vernie E. Dove, Sr.

Staff Members Present: Lonnie N. Carter, President and Chief Executive Officer; Bill McCall, Jr., Executive Vice President and Chief Operating Officer; John S. West, Executive Vice President and Chief Legal Officer; Elaine G. Peterson, Executive Vice President and Chief Financial Officer; R. M. Singletary, III, Senior Vice President, Corporate Services; Laura G. Varn, Vice President, Corporate Communications and Media Relations; Wm. Glen Brown, Jr., Corporate Secretary; Thomas L. Richardson, General Auditor; Richard S. Kizer, Director, Governmental Relations; W. David Ensor, Supervisor, Operations; and Pamela M. Gaskins, Assistant Corporate Secretary

Mr. Kyle Stock of *The Post and Courier* was also in attendance.

On Tuesday, August 17, 2004, news media, persons, and organizations requesting notification of all public meetings were mailed agendas including the time, date, and location of the meeting.

Chairman DuBose presided, and Ms. Gaskins kept the minutes.

Upon motion by Director Land, seconded by Director Coen, the Committee voted unanimously to waive reading of the minutes of the March 21, 2004, meeting of the Property Committee and adopted the minutes as submitted.

In response to a number of questions raised by some of the Directors with regard to management's activities to sell surplus property, Mr. West presented a summary of activities relative to the Surplus Property Sales Program which the Board authorized by resolution dated December 15, 2003 (Exhibit PC 8-1-04). He referenced the attached resolution entitled "Policy Position - Sale of Property" (Exhibit PC 8-2-04), which is the current policy followed by management for the sale or disposition of surplus real estate.

Specific concerns were noted with regard to the parcel of land located at Litchfield Beach. Three Directors had requested an opportunity to review marketing materials before the properties went out for bid, but bid packages were mailed without the Directors' review. Mr. West said Property Management acted prematurely and he apologized to the Board.

Also, Director Green stated that he felt there should have been more effort in advertising the Litchfield parcel. Others expressed a similar concern that larger parcels should be marketed more aggressively. Director Coen recommended that a broker be hired to market the Litchfield parcel and to review Santee Cooper's entire property portfolio.

Mr. West responded that the ultimate question is whether or not the Board would like to amend the existing policy for the sale of surplus property to specify circumstances in which the services of a broker should be enlisted versus bid solicitations.

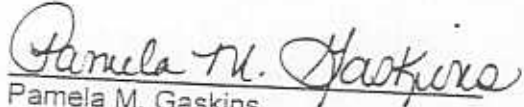
Following discussion and upon motion by Director Coen, seconded by Director Land, the Committee unanimously voted to authorize management to (1) solicit proposals to identify potential brokerage firms for all surplus property; (2) receive sealed bids for the four Phase I parcels as solicited; (3) report on the results of both bid processes at the September Property Committee meeting; and (4) provide a recommendation for an amendment to the existing policy for sale of surplus property to include circumstances in which a broker should be enlisted to market property versus solicitation through sealed bids.

The Committee will make a decision at the September Board meeting with regard to the disposition of the Phase I parcels.


Mr. West also reported that two additional parcels included in Phase I of the Surplus Property Sales Program were not marketed. It has been determined that one parcel is needed to build a substation in the future. The second parcel was not marketed because an on-site inspection of the property revealed that the City of Myrtle Beach, which owns an adjacent property, mistakenly dug a drainage ditch through the site. This problem is being addressed and a full report will be made to the Committee at a later date.

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,


Pamela M. Gaskins
Assistant Corporate Secretary

APPROVED:


G. Dial DuBose
Chairman

*Executive Corporate Planning Committee
December 15, 2003

Adopted ✓

Rejected

Postponed

R E S O L U T I O N

WHEREAS, the South Carolina Public Service Authority (Santee Cooper) is a body corporate and politic created by Act of the South Carolina General Assembly in 1934 codified in S.C. Code Ann. §58-31-10 et seq., as amended; and

WHEREAS, Santee Cooper is authorized thereby to generate, transmit and distribute electricity and to treat and sell potable water at wholesale; and

WHEREAS, Santee Cooper is as a matter of law a self-sustaining, self-liquidating entity which does not derive appropriations from the State of South Carolina for its operations; and

WHEREAS, Santee Cooper finances its operations from revenues from the sale of electricity and water and from the issuance of indebtedness consisting of bonds and notes guaranteed by a pledge of Santee Cooper's revenues; and

WHEREAS, pursuant to S.C. Code Ann. §58-31-110, Santee Cooper's Board of Directors is authorized to pay over semi-annually to the State Treasurer "... any and all net earnings thereof not necessary or desirable for the prudent conduct and operation of its business ..."; and

WHEREAS, Santee Cooper's Board of Directors has complied with the provisions of the above referenced statute, specifically determining each year since 1989 that one (1%) percent of its gross operating revenues is a lawful and appropriate payment to the State of South Carolina; and

WHEREAS, based on Santee Cooper's payment to the state policy and practice, the financial community has purchased Santee Cooper's indebtedness and with other considerations rated Santee Cooper's bonds Aa2 by Moody's, AA by Fitch and AA- by Standard and Poor's respectively; and

WHEREAS, in recent years the state government of South Carolina has experienced substantial budget difficulties and multi-million dollar revenue shortfalls; and

WHEREAS, the Board of Directors of Santee Cooper, being mindful that the people of South Carolina are one of Santee Cooper's constituent groups, has determined that Santee Cooper is the owner of certain real properties in South Carolina which are vacant and surplus to Santee Cooper's future operating needs and the same could be sold and the proceeds derived from the sale thereof appropriately paid over to the State of South Carolina as a one-time contribution; and

WHEREAS, the real properties shown on Exhibit "A" are deemed by the Board of Directors to be surplus to the future operating needs of Santee Cooper; and

WHEREAS, recognizing the immediacy of the State's budget crisis and pending the actual sale of said surplus properties on Exhibit "A", the Board of Directors finds it to be in the corporate interests of Santee Cooper and in the public's interest to pay over to the State of South Carolina by contribution an advance of funds in the amount of \$13,000,000.00; and

WHEREAS, the Board of Directors finds that the one-time contribution authorized hereby should be payable in two (2) equal payments of \$6,500,000.00 each and tendered not later than July 15, 2004 and not later than January 15, 2005 respectively; and

WHEREAS, the Board of Directors further finds that its contribution dollars should be allocated and apportioned to the State of South Carolina as follows:

- Department of Commerce CAP Fund, \$2,500,000.00
- Technical Board, Pathways To Prosperity, \$1,000,000.00
- Parks, Recreation and Tourism, Advertising and Promotion of the State, \$4,000,000.00
- Department of Education, Base Student Cost, \$2,750,000.00
- Department of Health and Human Services Medicaid, \$2,750,000.00

WHEREAS, in executing its discretion and judgment to make a contribution to the State of South Carolina as provided herein, the Board of Directors specifically and expressly confirms and affirms the standing policy and practice of paying over to the State of South Carolina one (1%) percent of its gross operating revenues pursuant to S.C. Code Ann. §58-31-110 and declares the \$13,000,000.00 to be a separate, one-time contribution only.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Santee Cooper hereby declares certain real properties, more particularly described and identified on Exhibit "A" attached hereto and made a part hereof by reference, to be surplus to the future needs of Santee Cooper; and

BE IT FURTHER RESOLVED that the Property Management Division is hereby authorized in the ordinary course to sell and dispose of said properties in accordance with its customary practices in order to maximize the return to Santee Cooper; and

BE IT FURTHER RESOLVED that pending the disposition of said properties, the Treasurer of Santee Cooper is authorized to arrange for payment and to pay the Treasurer of South Carolina or an agency designated herein \$6,500,000.00 not later than July 15, 2004 and \$6,500,000.00 not later than January 15, 2005, for a total of \$13,000,000.00 from an account or accounts or borrowings in accordance with the purposes, uses and allocations as outlined herein; and

BE IT FURTHER RESOLVED that the Property Management Division is directed to apply the proceeds of sale of said properties to reimburse the Treasurer of Santee Cooper for the payments authorized herein; and

BE IT FURTHER RESOLVED that the Resolution of the Board of Directors dated November 24, 2003 relative to supplemental payments for the benefit of the State is hereby rescinded.

* If approved by committee, this resolution will be referred to the full Board for approval. This resolution was referred to and approved by the full Board.

VACANT LANDS

DESCRIPTION/LOCATION	ACRES	COUNTY
Substation Site	0.87	Berkeley
Vacant Lot - Hanahan	0.14	Berkeley
Proposed Litchfield Office	31.00	Georgetown
Abandoned Right-Of-Way (Little River)	2.65	Horry
Abandoned Substation (Clear Pond)	1.00	Horry
Abandoned Substation (Ocean Forest)	1.00	Horry

NON-PROJECT LAND FORESTED UNDEVELOPED

DESCRIPTION/LOCATION	ACRES	COUNTY
Adjacent to Miller Property	8.00	Orangeburg
Adjacent to Fountain Lake/Belvedere	324.00	Orangeburg
White Oak I Area	86.00	Clarendon
Rowland Area	80.00	Clarendon
Adjacent to Log Jam	13.00	Clarendon
Gin Pond Area	20.00	Clarendon
Adjacent to WB Davis/Taw Caw	69.00	Clarendon
Hickory Top	20.00	Clarendon
Bird Nest	27.00	Clarendon

NON-PROJECT LAND RESIDENTIAL UNDEVELOPED

DESCRIPTION/LOCATION	ACRES	COUNTY
Adjacent to Carson	43.00	Calhoun
Adjacent High Hill	3.00	Calhoun
Griffith Area	21.00	Calhoun
Poplar Creek Area	83.00	Calhoun
Adjacent Miller Property	13.00	Orangeburg
Adjacent Mill Creek	85.00	Orangeburg
Adjacent Mill Creek	22.00	Orangeburg
Back of Pine Bluff	6.00	Orangeburg
Adjacent St. Julien	4.00	Orangeburg
West Dike 2	41.00	Berkeley
Church Branch 2	13.00	Clarendon
Church Branch 3	7.00	Clarendon
Birch Branch	2.00	Clarendon
Dean Swamp 1	4.00	Clarendon
Dean Swamp 2	4.00	Clarendon
Adjacent Lizzie Branch	3.00	Clarendon
McVey Cove Area	17.00	Clarendon
Jacks Creek	41.00	Clarendon

Policy Position
Sale of Property

Property Committee

September 23, 1985

Adopted ☒

Rejected ☐

Postponed ☐

PROCEDURE FOR SALE OR DISPOSITION OF SURPLUS REAL ESTATE

Upon a determination by the Board of Directors that parcels or portions of land are no longer required and, therefore, declared surplus to the need of the Authority, the Property Management Division may proceed with the sale or disposition of the property by first acquiring one or more appraisals of the property. The Property Management Division shall offer the property for sale by advertising for competitive bids in local newspapers and providing bid information to any prospective bidders. Signs may also be placed on the property making known its availability. Bids shall be received on a sealed basis and properties shall not be sold below their appraised value. The Authority shall retain the right to reject any and all bids. Sealed bids, public advertisements and appraisals will not be required for properties with limited values. The Board of Directors may waive any or all provisions of this procedure when deemed most advantageous to and in the best interest of the Authority and/or the public.

MEETING OF THE BOARD OF DIRECTORS
WAMPEE CONFERENCE AND TRAINING CENTER
PINOPOLIS, SOUTH CAROLINA
MONDAY, AUGUST 23, 2004 – 2:30 P.M.

Regular Session

Directors Present: Chairman T. Graham Edwards, Directors Patrick T. Allen, Paul G. Campbell, Jr., Richard H. Coen, Vernie E. Dove, Sr., G. Dial DuBose, Guerry E. Green, and J. Calhoun Land, IV

Directors(s) Absent: Clarence Davis, Keith D. Munson, and James W. Sanders

Staff Members Present: Lonnie N. Carter, President and Chief Executive Officer; Bill McCall, Jr., Executive Vice President and Chief Operating Officer; John S. West, Executive Vice President and Chief Legal Officer; Elaine G. Peterson, Executive Vice President and Chief Financial Officer; R. M. Singletary, III, Senior Vice President, Corporate Services; Laura G. Varn, Corporate Communications and Media Relations; Wm. Glen Brown, Jr., Corporate Secretary; Glenda W. Gillette, Controller; Thomas L. Richardson, General Auditor; Richard S. Kizer, Director, Governmental Relations; W. David Ensor, Supervisor, Operations; and Pamela M. Gaskins, Assistant Corporate Secretary

Mr. Kyle Stock of *The Post and Courier* was also in attendance.

On Tuesday, August 17, 2004, news media, persons, and organizations requesting notification of all public meetings were mailed agendas including the time, date, and location of the meeting.

Chairman Edwards called the meeting to order. He presided, and Ms. Gaskins kept the minutes.

Director Campbell gave the invocation and Chairman Edwards led the group in reciting the Pledge of Allegiance.

Upon motion by Director Allen, seconded by Director Campbell, the Board voted unanimously to waive reading of the minutes of the July 26, 2004, monthly meeting and the August 2, 2004 special meeting of the Board of Directors and adopted these minutes as submitted.

Media Clippings (Exhibit MB 8-1-04) dated July 2004 were mailed to the Board prior to the meeting.

Ms. Gillette presented the year to date financial report for the period ending July 2004 (Exhibit MB 8-2-04). The Financial Statement dated July 2004 (Exhibit MB 8-3-04) was mailed to the Board prior to the meeting.

Director Green reported that the 2005 Budget Targets were presented at the Finance-Audit Committee held on Monday, August 23, 2004. The Committee instructed management to proceed with preparation of the budget based on the 2005 budget targets as presented by Mr. Singletary.

Chairman Edwards advised that the Contributions Committee was scheduled to meet on August 23, 2004, however, due to time constraints this committee meeting was postponed.

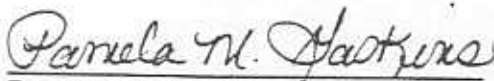
Mr. Carter presented the monthly President's Report, summarizing recent and upcoming activities. The following topics were included in his report:

- Mr. Carter made a presentation on growth and our response at an economic development forum with Senator McConnell and Representative Harrell.
- Mr. Carter visited the Rainey Generation Station and met with various Anderson County officials.
- Mr. Carter attended the South Carolina Association of Counties Annual Conference along with Chairman Edwards, Director Dove, and Director Green.
- Mr. Carter reported on the commendable efforts of employees to prepare for Hurricane Charley and to restore power to our customers following the storm.
- Mr. Carter stated that he received a letter from Governor Sanford requesting his attendance and support of the U.S.-Japan Southeast Association Conference in Atlanta, Georgia on October 10-12, 2004. He is planning to attend.
- Mr. Carter reported that Santee Cooper's budget hearing with Governor Sanford is tentatively scheduled for September 30, 2004, at a location and time to be determined.
- Mr. Carter said that Piedmont Municipal Power Agency (PMPA) has requested an opportunity to make a presentation to the Board as an introduction to their organization. Mr. Carter will arrange for PMPA to make a brief presentation at a future meeting.

Upon recommendation of the Property Committee and motion by Director DuBose, seconded by Director land, the Board unanimously voted to authorize management to (1) solicit proposals to identify potential brokerage firms for all surplus property; (2) receive sealed bids for the Litchfield parcel as solicited; (3) report on the results of both bid processes at the September Property Committee meeting; and (4) provide a recommendation for an amendment to the existing policy for sale of surplus property to include specific circumstances in which a broker should be enlisted to market property versus solicitation through sealed bids.

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,



Pamela M. Gaskins
Assistant Corporate Secretary

APPROVED:



T. Graham Edwards
Chairman



This package was also
emailed to the Board on
8/25/04.

PMG

FAX TRANSMISSION

Santee Cooper
P. O. Box 2946101
Moncks Corner, SC 29461-6101
(843) 761-7024
Fax: (843) 761-7037
Email: sbgillia@santeecooper.com

To: T. Graham Edwards
Patrick T. Allen
Paul G. Campbell, Jr.
Richard H. Coen
Clarence Davis
Vernie E. Dove, Sr.
G. Dial Dubose
Guerry E. Green
J. Calhoun Land, IV
Keith D. Munson
James W. Sanders, Sr.

Date: August 25, 2004

From: Lonnie N. Carter, President & CEO

Subject: RFP and List

Page(s): 17, including this cover sheet

Gentlemen:

Attached is a draft RFP for brokerage and real estate advisory services and a preliminary list of receivers of the RFP as we discussed Monday.

Please provide me or Elaine any proposed additions/deletions to the list and any comments to the RFP at your earliest convenience.

We are proposing to send out the RFP on the afternoon of September 1. You will remember bids on the four properties in Phase I are due in the Corporate Secretary's office by 2:00 p.m. on September 1.

Thanks,

Lonnie

SANTEE COOPER LETTERHEAD

Date

Vendor Contact and Address

Subject: Real Estate Brokerage and Advisory Firm Proposal

Dear Mr. _____:

Santee Cooper is seeking potential Real Estate Brokerage firms to provide advice, to market and to sell certain properties it has identified as surplus. If you wish to be considered for these services, please respond to the enclosed "Request for Proposal" and return your proposal to the undersigned along with any other information about your company that you wish to submit (please be brief) no later than 12:00 noon on _____.

A Santee Cooper Evaluation Committee will review all submissions and select a firm who, in the sole judgement of the committee, is best capable of meeting the needs of Santee Cooper. Santee Cooper does not imply or guarantee any potential business as a result of this process.

Santee Cooper expressly reserves the right to reject any or all submissions, to waive any informalities or irregularities in the submissions received, and to accept those firms which in its judgement best serve its purpose.

If you have additional questions, please contact me at (843) 761-8000, Ext. _____, or via e-mail at xxxxxxxx@santeecooper.com. My fax number is (843) 761-_____.

Sincerely,



FAX TRANSMISSION

SANTEE COOPER
P. O. Box 2946101
Moncks Corner, SC 29461
(843) 761-4021
Fax: (843) 761-7037
Email: prmeaskin@santeecooper.com

To: T. Graham Edwards
Patrick T. Allen
Paul G. Campbell, Jr.
Richard H. Coen
Clarence Davis
Vernie E. Dove, Sr.
G. Dial DuBose
Guerry E. Green
J. Calhoun Land, IV
Keith D. Munson
James W. Sanders, Sr.

Date: September 2, 2004

From:  Lonnie N. Carter

Page(s): 20, including this cover sheet

Subject: Update on Several Matters

Gentlemen:

We continue to recover from Gaston. Power is fully restored. Repairs to the dams are progressing. We had difficulty getting trucks to haul rock, but believe we now have enough to get the dams in reasonable shape by Saturday. The costs now are estimated to be near \$2 million. Repairs to the Jefferies Steam Plant flooding continue. Damage is more extensive than first estimated. The plant may remain off line for possibly 10 to 12 more days.

We are watching hurricane Frances and making preparations. If it continues on its current track, tomorrow we will implement our emergency action plan a third time in less than a month. We will pray that it passes us, but will be ready if it doesn't.

Today the corporate secretary's office received and opened six (6) bids on Phase I of the Property Sales Program. The bids are as follows:

- Litchfield (minimum \$4,624,000) \$5,375,000.
- Little River (minimum \$500,000) \$654,321.
\$578,900.
\$50,000. (non-conforming)

- Hanahan (minimum \$15,000) \$15,000.
\$16,000.
- St. Stephen (minimum \$9,000) None

We will send a copy of the bids to the Property Committee members in the next few days with a package of other material that we plan to send to the Board. No action will be taken on the bids until we receive your guidance at the September Board meeting.

We are also mailing out today the attached letter to brokers. The letter is being sent to those indicated on the list enclosed.

We are continuing our discussions with the wallboard plant prospect. We are finishing up the letter of intent. They are looking at sites this week. Since there are no minutes from our executive session, I have attached a brief note that outlines management's understanding of the Board's direction given at our August meeting. This is guiding our negotiations.

I received a call yesterday (8/31) from Tim Dangerfield, Chief of Staff for DOC regarding the wallboard project. He explained that Secretary Bob Faith informed him that the Governor's Office wanted Santee Cooper to "take the lead on the project" and pay any non-statutory incentives for the project. DOC has a budget for something called "set-a-sides" which can provide prospects incentive money for roads, water and sewer. Tim has been directed that Santee Cooper is to provide these if any are required to locate the project. I have asked Tim to send me a letter or email setting forth his understanding.

In the mean time, Tim and I have agreed to continue to work together to locate the prospect here. Tim agrees that DOC will continue to coordinate the project and meetings. If the incentives referenced above come into play or become an issue, I will need to seek your advice. Santee Cooper management understands that we are not authorized to offer the prospect any incentives. If this comes into play before our September 27th meeting, which I don't believe it will, we will ask for a telephonic Board meeting to get your advice.

Also tomorrow I will call Scott English, my contact in the Governor's Office, to ask him if he can to give me their expectations of Santee Cooper for the wall board project. This would provide the basis for the Board's consideration for how Santee Cooper will handle the project. In the mean time, if you have any questions or concerns about the project, please call me.

We had a very productive meeting Monday night and Tuesday with Central and Saluda regarding our joint bid for Saluda's Catawba ownership. The deal is complicated by a number of agreements effecting the transaction. I believe this complexity works to our advantage. We will need to brief the Board again at our September meeting on our joint bid with Central and obtain the Board's approval to execute a binding letter to lease the ownership from Central, if the bid is successful subject to the appropriate due diligence. The bid is still due to RUS on October 6th.

Because I expect another very full agenda for the Board meeting, I am asking that we meet Sunday afternoon beginning at 4:30 PM. Please let me or Pam know if you can not attend. This may determine which committee or committees meet that afternoon. (Rev. Sanders, I know you will not be able to attend any of the September Board meeting.)

Things continue to go well. Sorry for the long note. Hope you have a good Labor Day weekend. If you have any questions or concerns, please call me.

Thanks,
Lonnie

MEETING OF THE PROPERTY COMMITTEE
WAMPEE CONFERENCE AND TRAINING CENTER
PINOPOLIS, SOUTH CAROLINA
SUNDAY, SEPTEMBER 26, 2004 - 5:30 P.M.

Committee Members Present: Chairman G. Dial DuBose, Directors Richard H. Coen, Clarence Davis, Guerry E. Green, J. Calhoun Land, IV, and Board Chairman T. Graham Edwards, ex officio

Other Directors Present: Patrick T. Allen, Paul G. Campbell, Jr., Vernie E. Dove, Sr., and Keith D. Munson

Staff Members Present: Lonnie N. Carter, President and Chief Executive Officer; Bill McCall, Jr., Executive Vice President and Chief Operating Officer; John S. West, Executive Vice President and Chief Legal Officer; Elaine G. Peterson, Executive Vice President and Chief Financial Officer; R. M. Singletary, III, Senior Vice President, Corporate Services; Laura G. Varn, Vice President, Corporate Communications and Media Relations; Wm. Glen Brown, Jr., Corporate Secretary; Mr. Richard S. Kizer, Director Governmental Relations; W. David Ensor, Supervisor, Operations; and Pamela M. Gaskins, Assistant Corporate Secretary

Mr. Kyle Stock of *The Post and Courier* was also present.

Directors DuBose, Land, Allen, Davis and Munson participated in the meeting via telephone conference call.

Chairman Edwards, Director Campbell, Director Dove, Director Coen, Director Green, Mr. Carter, Mr. McCall, Mr. West, Ms. Peterson, Mr. Singletary, Mr. Brown, Mr. Kizer, Ms. Varn, Mr. Ensor, Ms. Gaskins, and Mr. Stock participated in the meeting at the Wampee Conference and Training Center in Pinopolis, South Carolina.

On Tuesday, September 21, 2004, news media, persons, and organizations requesting notification of all public meetings were mailed agendas including the time, date, and location of the meeting.

Board Chairman Edwards presided on behalf of Chairman DuBose, who was participating in the meeting via teleconference, and Ms. Gaskins kept the minutes.

Upon motion by Director Land, seconded by Chairman DuBose, the Committee voted unanimously to waive reading of the minutes of the August 23, 2004, meeting of the Property Committee and adopted the minutes as submitted.

Chairman Edwards requested an Executive Session to discuss contractual matters. Upon motion by Chairman DuBose, seconded by Director Land, the Committee unanimously voted to enter Executive Session to discuss contractual matters with members of the Board, Mr. Carter, Mr. McCall, Ms. Peterson, Mr. West, and Mr. Singletary in attendance.

Mr. Stock left the meeting and did not return.

The Committee returned to Regular Session. Chairman Edwards reported no action was taken in Executive Session.

Upon motion by Chairman DuBose, seconded by Director Green, the Committee unanimously voted to recommend to the Board that all sealed bids received in conjunction with Phase I of the Surplus Property Sales Program be rejected.

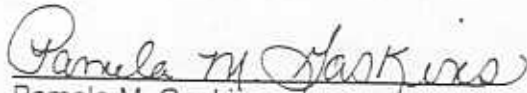
Meeting of the Property Committee
September 26, 2004
Page 2


Upon motion by Director Green, seconded by Chairman DuBose, the Committee unanimously voted to recommend to the Board for approval the attached resolution entitled "Revised Policy for Sale of Surplus Properties" (Exhibit PC 9-1-04).

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,

APPROVED:


Pamela M. Gaskins
Assistant Corporate Secretary


T. Graham Edwards
Board Chairman

Revised Policy for Sale of
Surplus Properties

*Property Committee
September 26, 2004

Adopted ✓

Rejected

Postponed

R E S O L U T I O N

WHEREAS, S.C. Code Ann. § 58-31-30 authorizes Santee Cooper's Board of Directors to sell surplus real properties which the Board of Directors deems unnecessary for project operations; and

WHEREAS, the Board of Directors and management have followed a longstanding practice of having proposed surplus real property sales presented to the Board of Directors through the Property Committee for disposition; and

WHEREAS, to guide management in the administration of sales of surplus lands, the Property Committee adopted a policy resolution dated September 23, 1985; and

WHEREAS, the Board of Directors finds it appropriate and in Santee Cooper's best interest to affirm the prior policy and expand it to allow for an alternative method of administration of the sale of surplus lands deemed by the Property Committee to be unique; and

WHEREAS, the Board of Directors finds that the following factors must be considered in determining whether each surplus real property is unique for policy purposes:

1. Appraised value of \$500,000.00 or more;
2. Waterfront;
3. 25 acres or more;
4. Commercial or industrial zoning;
5. Special archeological, historical or geographical features.

WHEREAS, the Board of Directors finds that if one or more of the factors above apply to a particular lot, parcel or tract of land, the Property Committee may direct the Property Management Division to solicit and engage the services of real estate brokerage and/or consulting professionals to assist in the disposition of the land.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Board of Directors that surplus real properties shall be sold by the Property Management Division according to the revised policy statement attached hereto and made a part hereof by reference.

* If approved by committee, this resolution will be referred to the full Board for approval.
This resolution was referred to and approved by the full Board.

DRAFT

POLICY FOR SALE OR DISPOSITION OF SURPLUS REAL ESTATE

ORIGINAL

Upon a determination by the Board of Directors that parcels or portions of land are no longer required and, therefore, declared surplus to the needs of the Authority, the Property Management Division may proceed with the sale or disposition of the property by first acquiring one or more appraisals of the property. The Property Management Division shall offer the property for sale by advertising for competitive bids in local newspapers and providing bid information to any prospective bidders. Signs may also be placed on the property making known its availability. Bids shall be received on a sealed basis and properties shall not be sold below their appraised value. The Authority shall retain the right to reject any and all bids. Sealed bids, public advertisements and appraisals will not be required for properties with limited values. The Board of Directors may waive any or all provisions of this procedure when deemed most advantageous to and in the best interest of the Authority and/or the public.

NEW

The Board of Directors recognizes that certain surplus real estate may be unique and as a result may require special assistance and consultation. If one or more of the following factors apply to a particular lot, parcel or tract of land, the Property Committee may direct the Property Management Division to engage the services of a real estate brokerage and/or consulting professional to assist in the disposition of the land:

1. Appraised value of \$500,000.00 or more;
2. Waterfront;
3. 25 acres or more;
4. Commercial or industrial zoning;
5. Special archeological, historical or geographical features.

Revised September 26, 2004

MEETING OF THE BOARD OF DIRECTORS
WAMPEE CONFERENCE AND TRAINING CENTER
PINOPOLIS, SOUTH CAROLINA
MONDAY, SEPTEMBER 27, 2004 – 1:00 P.M.

Regular Session

Directors Present: Chairman T. Graham Edwards, Directors Patrick T. Allen, Paul G. Campbell, Jr., Richard H. Coen, Clarence Davis, Vernie E. Dove, Sr., G. Dial DuBose, Guerry E. Green, J. Calhoun Land, IV, and Keith D. Munson

Directors(s) Absent: James W. Sanders

Staff Members Present: Lonnie N. Carter, President and Chief Executive Officer; Bill McCall, Jr., Executive Vice President and Chief Operating Officer; John S. West, Executive Vice President and Chief Legal Officer; Elaine G. Peterson, Executive Vice President and Chief Financial Officer; R. M. Singletary, III, Senior Vice President, Corporate Services; Suzanne H. Ritter, Vice President Corporate Planning and Bulk Power; Laura G. Varn, Vice President, Corporate Communications and Media Relations; Glenda W. Gillette, Controller; Wm. Glen Brown, Jr., Corporate Secretary; Richard S. Kizer, Director, Governmental Relations; W. David Ensor, Supervisor, Operations; and Pamela M. Gaskins, Assistant Corporate Secretary

Mr. Kyle Stock of *The Post and Courier* was also in attendance.

Directors DuBose, Allen, Davis and Munson participated in the meeting via telephone conference call.

Chairman Edwards, Director Campbell, Director Dove, Director Coen, Director Green, Director Land, Mr. Carter, Mr. McCall, Mr. West, Ms. Peterson, Mr. Singletary, Ms. Ritter, Ms. Varn, Mr. Brown, Mr. Kizer, Mr. Ensor, Ms. Gaskins, and Mr. Stock participated in the meeting at the Wampee Conference and Training Center in Pinopolis, South Carolina.

On Tuesday, September 21, 2004, news media, persons, and organizations requesting notification of all public meetings were mailed agendas including the time, date, and location of the meeting.

Chairman Edwards called the meeting to order. He presided, and Ms. Gaskins kept the minutes.

Director Land gave the invocation and Chairman Edwards led the group in reciting the Pledge of Allegiance.

Upon motion by Director Allen, seconded by Director Campbell, the Board voted unanimously to waive reading of the minutes of the August 23, 2004, monthly meeting and the August 26, 2004, special meeting of the Board of Directors and adopted these minutes as submitted.

Media Clippings (Exhibit MB 9-1-04) dated August 2004 were mailed to the Board prior to the meeting.

Upon recommendation from the Contributions Committee, Director Campbell made a motion to approve a \$30,000 contribution at \$10,000 per year over three years beginning January 2005 to Clarendon Memorial Hospital. The motion was seconded by Director Allen.

Director Green asked that the Board hold off on approving any contribution requests. He is of the opinion that Santee Cooper's contributions program creates conflicts of interest.

Director Coen made a motion to table the main motion and any other subsequent motions forthcoming as a result of the recommendations from the September 26, 2004, Contributions Committee meeting. Director Green seconded the motion.

Chairman Edwards put the motion to table the main motion to question. The vote was unanimous.

Upon recommendation of the Property Committee and upon motion by Director Green, seconded by Director Coen, the Board unanimously voted to reject all sealed bids received in conjunction with Phase I of the Surplus Property Sales Program. Prior to the vote there was discussion with regard to the need for consistency from the Board, and the negative message that could be perceived from the Board's action to reject these bids.

Chairman Edwards instructed management to proceed in setting up interviews with potential brokers.

Upon recommendation of the Property Committee and upon motion by Director Land, seconded by Director Campbell, the Board voted unanimously to approve the attached resolution entitled "Revised Policy for Sale of Surplus Properties" (Exhibit MB 9-2-04).

Upon recommendation of the Executive-Corporate Planning Committee and upon motion by Director Munson, seconded by Director Campbell, the Board voted unanimously to approve the attached amended resolution entitled "Submission of a Joint Bid to purchase an Undivided Ownership Interest in the Catawba Nuclear Station, York County" (Exhibit MB 9-3-04).

Director Allen instructed management to ensure that Mr. Ronald J. Calcaterra, President and Chief Executive Officer of Central Electric Power Cooperative, Inc., was made aware of the amendment to the Catawba resolution.

Mr. Carter said that efforts to find a common date for the Board to conduct a strategic planning session have been unsuccessful thus far. Director DuBose stated that he had reviewed the existing Strategic Plan, and it does not appear to need any significant changes. He said he thought it would be more beneficial for the Board to review the plan as an educational process. He also suggested that management develop a list of basic issues, such as adding value to the state, contributions, and economic development, and present these ideas to the Board along with guidance on how they could be incorporated into the Strategic Plan.

Following discussion and upon motion by Director Allen, seconded by Director Coen, the Board unanimously voted to have management develop a list of basic issues, including adding value to the state, contributions, and economic development, and present these ideas to the Board along with a recommendation for incorporating these issues into the Strategic Plan.

Chairman Edwards suggested that the Board set aside time in conjunction with the October Board meeting to discuss these issues and the Strategic Plan.

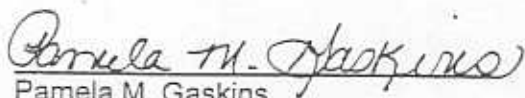
Due to stormy weather conditions the Board unanimously agreed to defer the Financial Report, the Report on Storm Restoration, and the Monthly President's Report so that everyone could get an early start on their commute back home.

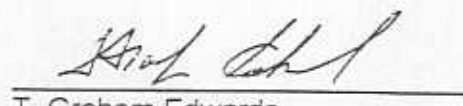
A copy of the year to date financial report for the period ending August 2004 is included as an exhibit to these minutes (Exhibit MB 9-4-04). The Financial Statement dated August 2004 (Exhibit MB 9-5-04) was distributed to the Board at the meeting.

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,

APPROVED:


Pamela M. Gaskins
Assistant Corporate Secretary


T. Graham Edwards
Chairman

Revised Policy for Sale of
Surplus Properties

*Property Committee
September 26, 2004

Adopted ✓

Rejected

Postponed

R E S O L U T I O N

WHEREAS, S.C. Code Ann. § 58-31-30 authorizes Santee Cooper's Board of Directors to sell surplus real properties which the Board of Directors deems unnecessary for project operations; and

WHEREAS, the Board of Directors and management have followed a longstanding practice of having proposed surplus real property sales presented to the Board of Directors through the Property Committee for disposition; and

WHEREAS, to guide management in the administration of sales of surplus lands, the Property Committee adopted a policy resolution dated September 23, 1985; and

WHEREAS, the Board of Directors finds it appropriate and in Santee Cooper's best interest to affirm the prior policy and expand it to allow for an alternative method of administration of the sale of surplus lands deemed by the Property Committee to be unique; and

WHEREAS, the Board of Directors finds that the following factors must be considered in determining whether each surplus real property is unique for policy purposes:

1. Appraised value of \$500,000.00 or more;
2. Waterfront;
3. 25 acres or more;
4. Commercial or industrial zoning;
5. Special archeological, historical or geographical features.

WHEREAS, the Board of Directors finds that if one or more of the factors above apply to a particular lot, parcel or tract of land, the Property Committee may direct the Property Management Division to solicit and engage the services of real estate brokerage and/or consulting professionals to assist in the disposition of the land.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Board of Directors that surplus real properties shall be sold by the Property Management Division according to the revised policy statement attached hereto and made a part hereof by reference.

* If approved by committee, this resolution will be referred to the full Board for approval.
This resolution was referred to and approved by the full Board.

DRAFT

POLICY FOR SALE OR DISPOSITION OF SURPLUS REAL ESTATE

ORIGINAL

Upon a determination by the Board of Directors that parcels or portions of land are no longer required and, therefore, declared surplus to the needs of the Authority, the Property Management Division may proceed with the sale or disposition of the property by first acquiring one or more appraisals of the property. The Property Management Division shall offer the property for sale by advertising for competitive bids in local newspapers and providing bid information to any prospective bidders. Signs may also be placed on the property making known its availability. Bids shall be received on a sealed basis and properties shall not be sold below their appraised value. The Authority shall retain the right to reject any and all bids. Sealed bids, public advertisements and appraisals will not be required for properties with limited values. The Board of Directors may waive any or all provisions of this procedure when deemed most advantageous to and in the best interest of the Authority and/or the public.

NEW

The Board of Directors recognizes that certain surplus real estate may be unique and as a result may require special assistance and consultation. If one or more of the following factors apply to a particular lot, parcel or tract of land, the Property Committee may direct the Property Management Division to engage the services of a real estate brokerage and/or consulting professional to assist in the disposition of the land:

1. Appraised value of \$500,000.00 or more;
2. Waterfront;
3. 25 acres or more;
4. Commercial or industrial zoning;
5. Special archeological, historical or geographical features.

Revised September 26, 2004

SUBMISSION OF A JOINT BID TO PURCHASE
AN UNDIVIDED OWNERSHIP INTEREST IN
THE CATAWBA NUCLEAR STATION, YORK COUNTY

EXECUTIVE COMMITTEE
* September 27, 2004

Adopted	<u>✓</u>
Rejected	<u> </u>
Postponed	<u> </u>

RESOLUTION

WHEREAS, Catawba Nuclear Station ("Catawba") is an electric power generating station located in York County, South Carolina, that consists of two nuclear-powered electric generating units ("Catawba Unit 1" and "Catawba Unit 2") and certain support facilities ("Support Facilities"); and

WHEREAS, Saluda River Electric Cooperative, Inc. ("Saluda River") possesses an 18.75% undivided ownership interest in Catawba Unit 1 and a 9.375% undivided ownership interest in the Support Facilities; and

WHEREAS, Saluda River has an agreement with the Rural Utilities Service of the United States Department of Agriculture ("RUS"), to sell Saluda River's Catawba undivided ownership interest in the Catawba Nuclear Station in a competitive public bidding process administered by RUS which process is currently under way; and

WHEREAS, Authority and Central Electric Power Cooperative, Inc. ("Central") are parties to a Power System Coordination and Integration Agreement, dated December 31, 1980, as amended ("Coordination Agreement") under which the Authority supplies electric power and energy to Central to meet the power and energy requirements of Central's member cooperatives, including Saluda River; and

WHEREAS, the Authority is desirous of meeting the ongoing electrical capacity and energy needs of the combined Authority/Central system in the most cost effective means possible; and

WHEREAS, the Authority and Central have prepared and intend to submit a mutually acceptable Joint Bid, whereby Central, in cooperation with the Authority, intends to seek to acquire Saluda River's undivided ownership interest in the Catawba Nuclear Station and to lease that acquired interest to the Authority; and

WHEREAS, the Authority's system currently receives the benefit of the output of Saluda's ownership interest in Catawba; and

WHEREAS, the Authority and Central acknowledge that due to time constraints inherent in the competitive public bidding process they will be unable to draft and execute prior to the current due date for the submission of bids a final, written definitive lease document ("Definitive Lease"). Accordingly, the Authority and Central intend to execute a binding and enforceable agreement that contains, among other terms, all of the essential terms of the Definitive Lease ("Agreement to Enter Into a Definitive Lease") and such agreement shall be integral to the Joint Bid the Authority and Central intend to submit; and

NOW, THEREFORE, BE IT RESOLVED that the President and Chief Executive Officer of the Authority is hereby authorized to submit on behalf of the Authority a Joint Bid with Central Electric Power Cooperative, Inc., to purchase Saluda River's undivided ownership interest in the Catawba Nuclear Station. In furtherance of that Joint Bid, the President and Chief Executive Officer of the Authority is hereby authorized to execute an agreement between the Authority and Central styled Agreement to Enter into a Definitive Lease.

*If approved by the Executive Committee, this resolution will be referred to the full Board for approval.

This resolution was referred to and approved by the full Board.

From: Lonnie Carter
To: Coen, Richard
Date: 8/9/04 8:16AM
Subject: RE: Eastport PIP

Richard,

I take that you are in town this week and missing the family trip to Minnesota?. If you are here, please keep in mind we have a meeting with the Central Coop group on Wednesday starting at Noon with lunch. I hope you can make it. I feel like we are making good progress.

Also let me know if we need to have some one meet Rob at the property.

Thanks
Lonnie

>>> "Richard Coen" <rcoen@coencapital.com> 08/06/04 05:57PM >>>
Rob and Guerry,
How about Wed. morning?
RHC

-----Original Message-----

From: Lonnie Carter [<mailto:lcarter@santeecooper.com>]
Sent: Friday, August 06, 2004 4:36 PM
To: rcoen@coencapital.com
Subject: RE: Eastport PIP

Richard,

My schedule is pretty tight Monday and Tuesday. If you would like I could have someone joint Rob. Just let me know and I will work it out with Rob.

Thanks
Lonnie

>>> "Richard H. Coen" <rcoen@coencapital.com> 08/05/04 18:34 PM >>>
Lonnie,
Would you or anyone else from Santee Cooper like to meet with us?
RHC

From: Rob Rizzi [<mailto:rrizzi@broadstreetadvisors.com>]
Sent: Wednesday, August 04, 2004 2:19 PM
To: 'Richard H. Coen'; 'Jim Grant'; 'Frederick C. Ellsworth (E-mail)'
Subject: FW: Eastport PIP

Richard, I have spoken with Lonnie and Guerry. The only request that I have received for a hard copy package is Vernie Dove. I haven't received any other requests for additional packages or marketing flyers. Let me know if there's others so I can get those out. Also, as you saw from Lonnie's email, we spoke and he is forwarding to me a package on the property that they have provided.

Lastly, I would like to see the property before we send a proposal. Are you

available this Monday or Tuesday to drive up there? If you're not available, I can head down solo. Is there anybody from Santee Cooper that you would like me to meet with.

Thanks,
Rob.

From: Richard H. Coen [mailto:rcoen@coencapital.com]
Sent: Wednesday, August 04, 2004 11:53 AM
To: 'Jim Grant'; 'Robert Rizzi (E-mail)'; 'Frederick C. Ellsworth (E-mail)'
Cc: 'Lonnie Carter (E-mail)'; 'Pam M. Gaskins (E-mail)'
Subject: RE: Eastport PIP

Rob,
Have you talked with Lonnie?
We are on a tight time frame.
Do you have any extra copies of the offering and flyer?
Several directors have requested a hard copy and brochure.
You can get their names from Pam.

From: Jim Grant [mailto:jgrant@coencapital.com]
Sent: Wednesday, August 04, 2004 9:44 AM
To: Robert Rizzi (E-mail); Frederick C. Ellsworth (E-mail)
Cc: Lonnie Carter (E-mail); Pam M. Gaskins (E-mail); Richard H. Coen (E-mail)
Subject: Eastport PIP

Rob,

Please send a hard copy of the Eastport PIP to Vernie << Message: Vernie E. Dove Sr. >> E. Dove, Sr., 9409 Cove Drive, Myrtle Beach, SC 29572. He is a member of the Santee Cooper Board of Directors. He does not have an email address.

Thanks!

Jim Grant

Confidentiality Notice:

This message is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, privileged, confidential or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately either by phone or reply to this e-mail, and delete all copies of this message.

From: "Richard H. Coen" <rcoen@coencapital.com>
To: "Jim Grant" <jsggrant@coencapital.com>, "Clarence Davis (E-mail)" <CXD@nmrs.com>, "G. Dial DuBose (E-mail)" <dialdubose@nalleyproperties.com>, "Guerry E. Green (E-mail)" <guerry@screenight.com>, "J. Calhoun Land IV (E-mail)" <jcland@sc.rr.com>, "James W. Sanders Sr. (E-mail)" <drsanders1@charter.net>, "Keith D. Munson (E-mail)" <kmunson@wcsr.com>, "Patrick T. Allen (E-mail)" <pallen@sc.rr.com>, "Paul G. Campbell Jr. (E-mail)" <paul.campbell@alcoa.com>, "T. Graham Edwards (E-mail)" <tgedward@santeecooper.com>, "Vernie E. Dove Sr. (Business Fax)" @lsh134.siteprotect.com>, "Bill McCall Jr. (E-mail)" <bmcclall@santeecooper.com>, "Elaine Peterson (E-mail)" <egpeters@santeecooper.com>, "John West (E-mail)" <jswest@santeecooper.com>, "Lonnie Carter (E-mail)" <Incarter@santeecooper.com>
Date: Mon, Aug 2, 2004 9:52 PM
Subject: RE: Broad Street Advisors information (from Richard Coen)

Fred and Rob,

Please contact Lonnie Carter tomorrow to discuss the Santee Cooper property in Litchfield.

It has many of the characteristics of Eastport.

If the board decides to use Broad Street Advisors, we would like to have the flyer out in 2-3 weeks and the packages available in 4 -6 weeks.

I think the goal would be to have the property under contract before the elections in November.

Let me know if this would work for you.

What would you propose as your fee.

This could be a joint venture, sale or long term ground lease.

I know there is a preference for a strait sale.

Thank you for your interest.

RHC

From: Jim Grant [mailto:jsggrant@coencapital.com]
Sent: Monday, August 02, 2004 2:21 PM
To: Clarence Davis (E-mail); G. Dial DuBose (E-mail); Guerry E. Green (E-mail); J. Calhoun Land IV (E-mail); James W. Sanders Sr. (E-mail); Keith D. Munson (E-mail); Patrick T. Allen (E-mail); Paul G. Campbell Jr. (E-mail); Richard H. Coen (E-mail); T. Graham Edwards (E-mail); "Vernie E. Dove Sr. (Business Fax)" @lsh134.siteprotect.com; Bill McCall Jr. (E-mail); Elaine Peterson (E-mail); John West (E-mail); Lonnie Carter (E-mail)
Cc: Frederick C. Ellsworth (E-mail); Robert Rizzi (E-mail)
Subject: Broad Street Advisors information (from Richard Coen)

The web site for Broad Street Advisors is www.broadstreetadvisors.com. Also attached is the offering package Broad Street Advisors prepared for Eastport. << File: Eastport PIP.pdf >>

Jim Grant

CC: "Frederick C. Ellsworth (E-mail)" <FEllsworth@BroadStreetAdvisors.com>, "Robert Rizzi (E-mail)" <RRizzi@BroadStreetAdvisors.com>

From: "Richard H. Coen" <rcoen@coencapital.com>
To: "Jim Grant" <jsggrant@coencapital.com>, "Clarence Davis (E-mail)" <CXD@nmrs.com>, "G. Dial DuBose (E-mail)" <dialdubose@nalleyproperties.com>, "Guerry E. Green (E-mail)" <guerry@screenight.com>, "J. Calhoun Land IV (E-mail)" <jcland@sc.rr.com>, "James W. Sanders Sr. (E-mail)" <drsanders1@charter.net>, "Keith D. Munson (E-mail)" <kmunson@wcsr.com>, "Patrick T. Allen (E-mail)" <pallen@sc.rr.com>, "Paul G. Campbell Jr. (E-mail)" <paul.campbell@alcoa.com>, "T. Graham Edwards (E-mail)" <tgedward@santeecooper.com>, "Vernie E. Dove Sr. (Business Fax)" <lsh134.siteprotect.com>, "Bill McCall Jr. (E-mail)" <bmccall@santeecooper.com>, "Elaine Peterson (E-mail)" <eggpeters@santeecooper.com>, "John West (E-mail)" <jswest@santeecooper.com>, "Lonnie Carter (E-mail)" <Incarter@santeecooper.com>
Date: Mon, Aug 2, 2004 10:50 PM
Subject: RE: Broad Street Advisors information (from Richard Coen)

Fellow board members and management,
 Please review process and services on the Broad Street website link found below.
 The attached confidential offering package is a sample of their work but the best part is the process.
 Hope this helps.
 Please feel free to offer comments or suggestions.
 Thank you,
 RHC

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Sent: Monday, August 02, 2004 2:21 PM
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Jim Grant

CC: "Frederick C. Ellsworth (E-mail)" <FEllsworth@BroadStreetAdvisors.com>, "Robert Rizzi (E-mail)" <RRizzi@BroadStreetAdvisors.com>

From: "Dial Dubose" <dialdubose@nalleyproperties.com>
To: "Richard H. Coen" <rcoen@coencapital.com>, "Jim Grant" <jsgrant@coencapital.com>, "Clarence Davis (E-mail)" <CXD@nmrs.com>, "Guerry E. Green (E-mail)" <guerry@screentight.com>, "J. Calhoun Land IV (E-mail)" <jcland@sc.rr.com>, "James W. Sanders Sr. (E-mail)" <drsanders1@charter.net>, "Keith D. Munson (E-mail)" <kmunson@wcsr.com>, "Patrick T. Allen (E-mail)" <pallen@sc.rr.com>, "Paul G. Campbell Jr. (E-mail)" <paul.campbell@alcoa.com>, "T. Graham Edwards (E-mail)" <tgedward@santeecooper.com>, "Vernie E. Dove Sr. (Business Fax)" @lsh134.siteprotect.com>, "Bill McCall Jr. (E-mail)" <bmccall@santeecooper.com>, "Elaine Peterson (E-mail)" <egpeters@santeecooper.com>, "John West (E-mail)" <jswest@santeecooper.com>, "Lonnie Carter (E-mail)" <lcarter@santeecooper.com>
Date: Fri, Aug 6, 2004 3:30 PM
Subject: RE: Broad Street Advisors information (from Richard Coen)

Richard,

This a great idea. Their work on the Eastport project was impressive. If it pleases the committee we need to send out a RFQ to some local firms. Please let me if their are any objections or legal issues that come in to play.

Thank you,

Dial

> -----Original Message-----

> **From:** Richard H. Coen [mailto:rcoen@coencapital.com]
 > **Sent:** Monday, August 02, 2004 10:49 PM
 > **To:** 'Jim Grant'; 'Clarence Davis (E-mail)'; 'G. Dial DuBose (E-mail)';
 > 'Guerry E. Green (E-mail)'; 'J. Calhoun Land IV (E-mail)'; 'James W. Sanders Sr. (E-mail)'; 'Keith D. Munson (E-mail)'; 'Patrick T. Allen (E-mail)'; 'Paul G. Campbell Jr. (E-mail)'; 'T. Graham Edwards (E-mail)';
 > 'Vernie E. Dove Sr. (Business Fax)' @lsh134.siteprotect.com; 'Bill McCall Jr. (E-mail)'; 'Elaine Peterson (E-mail)'; 'John West (E-mail)'; 'Lonnie Carter (E-mail)'
 > **Cc:** 'Frederick C. Ellsworth (E-mail)'; 'Robert Rizzi (E-mail)'
 > **Subject:** RE: Broad Street Advisors information (from Richard Coen)
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 > Fellow board members and management,
 > Please review process and services on the Broad Street website link found below.
 > The attached confidential offering package is a sample of their work but the best part is the process.
 > Hope this helps.
 > Please feel free to offer comments or suggestions.
 > Thank you,
 > RHC
 >
 >

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 > **Sent:** Monday, August 02, 2004 2:21 PM
 > **To:** Clarence Davis (E-mail); G. Dial DuBose (E-mail); Guerry E. Green (E-mail); J. Calhoun Land IV (E-mail); James W. Sanders Sr. (E-mail); Keith D. Munson (E-mail); Patrick T. Allen (E-mail); Paul G. Campbell Jr. (E-mail); Richard H. Coen (E-mail); T. Graham Edwards (E-mail); "Vernie E. Dove Sr. (Business Fax)" @lsh134.siteprotect.com; Bill McCall Jr. (E-mail); Elaine Peterson (E-mail); John West (E-mail); Lonnie Carter (E-mail)

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> package Broad Street Advisors prepared for Eastport. << File: Eastport
> PIP.pdf >>
>
> Jim Grant
>

CC: "Frederick C. Ellsworth (E-mail)" <FEllsworth@BroadStreetAdvisors.com>, "Robert
Rizzi (E-mail)" <RRizzi@BroadStreetAdvisors.com>

From: Lonnie Carter
 To: dialdubose@nalleyproperties.com
 Date: 8/6/04 5:07PM
 Subject: RE: Broad Street Advisors information (from Richard Coen)

Dial,

We are working on bring this to the Property Committee on August 23rd. We probably will not have other proposals at that meeting because of the time frame and some issues we want the Committee's advice on before we solicit bids. I have asked Rob Rizzi with Broad Street Advisors to give us a proposal. This should give us an idea of what the cost might be to broker the property and also how this process works. Let me know if you want me to proceed differently.

Thanks
 Lonnie

>>> "Dial Dubose" <dialdubose@nalleyproperties.com> 08/06/04 15:30 PM >>>
 Richard,

This a great idea. Their work on the Eastport project was impressive.
 If it pleases the committee we need to send out a RFQ to some local firms.
 Please let me if their are any objections or legal issues that come in to play.

Thank you,

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 > Cc: 'Frederick C. Ellsworth (E-mail)'; 'Robert Rizzi (E-mail)'
 > Subject: RE: Broad Street Advisors information (from Richard Coen)
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 > Hope this helps.
 > Please feel free to offer comments or suggestions.
 > Thank you,
 > RHC
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 > Cc: Frederick C. Ellsworth (E-mail); Robert Rizzi (E-mail)
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 > <<http://www.broadstreetadvisors.com>>. Also attached is the offering
 > package Broad Street Advisors prepared for Eastport. << File: Eastport
 > PIP.pdf >>
 >
 > Jim Grant
 >

From: "Elaine Peterson" <EGPETERS@santeecooper.com>
To: "Kay Spann" <KSPANN@santeecooper.com>
Date: 5/16/2005 12:31:26 PM
Subject: Fwd: Gain on sale of Litchfield Tract

fyi. This one was sort of a by-product of the sealed bid he originally made that was rejected in the Sept. Board mtg. Those minutes should reflect what that bid was. He appealed to the Board at the Oct mtg and submitted a counter bid in either Nov. or Dec. HE put up earnest money around Dec. 6th and the deal closed in Jan 2005

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Gain on Sale of Litchfield Tract

Proceeds of Sale		\$5,575,000.00
Less: Revenue Stamps	(\$20,627.50)	
Appraisal Cost	(\$1,000.00)	
Advertising	(\$781.25)	
Survey Costs	(\$3,983.35)	
Signage	(\$347.92)	
Miscellaneous	(\$34.84)	(\$26,774.86)
Subtotal		\$5,548,225.14

Less: Cost of Land Sold		(\$444,749.31)
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Gain on Sale \$5,103,475.83

Proposed Journal Entry

	<u>Debit</u>	<u>Credit</u>
E01.CA1.XR.JGB003.C00001.E907.00000.0000.1070	\$444,749.31	
E01.CA1.BG.000000.000000.A401.00000.0000.1080		\$444,749.31
To retire land to account 1080.		
E01.CA1.XR.JGB003.C00001.E907.00000.0000.1070	\$5,103,475.83	
E01.C01.SB.000000.000000.R201.V0003.0000.4211		\$5,103,475.83
To book gain on sale of Litchfield Tract.		